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ABSTRACT

The Worker Profiling and Reemployment Services (WPRS) was a program established in states by regulation of the federal government to profile Unemployment Insurance (UI) recipients who were most likely to exceed their time limits for UI and to give those recipients training in job search methods. The WPRS Policy Workgroup was established in January 1998 to examine the WPRS system as it had evolved from 1994-98 and to provide recommendations to improve its quality and to make it more effective in achieving its ultimate goal--enabling dislocated workers to find new jobs as rapidly as possible at wages comparable to their prior wages. The workgroup developed recommendations for improvement in WPRS to address seven major topics: (1) modeling and model use; (2) how to profile; (3) who and when to refer to reemployment services; (4) what services and how many services to provide; (5) program linkages between the Unemployment Insurance, Wagner-Peyser Act (employment service) and dislocated worker programs; (6) adequacy of funding; and (7) communication, feedback systems, and reporting. (Author/KC)

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Worker Profiling and Reemployment Services Policy Workgroup:

Final Report and Recommendations

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Final Report of the Worker Profiling and Reemployment Services Policy Workgroup

February 1999

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Abstract

Worker Profiling and Reemployment Services Policy Workgroup:

Final Report and Recommendations

The Worker Profiling and Reemployment Services (WPRS) Policy Workgroup was established in January 1998. The WPRS Policy Workgroup was composed of State, Regional and Federal workforce development staff. The Policy Workgroup's charge was to examine the WPRS system as it has evolved from 1994-98 and provide recommendations to improve its quality and to make it more effective in achieving its ultimate goal -- enabling dislocated workers to find new jobs as rapidly as possible at wages comparable to their prior wages. This paper presents a list of seven recommendations concerning the future direction of the WPRS system. Incorporated in these recommendations are the opinions solicited informally from stakeholders in the workforce development system by ETA concerning the document entitled, *A National Dialogue on The Unemployment Insurance Program in the Workforce Development System (1997)*. These recommendations address the following major topics: modeling and model use; how to profile; who and when to refer to reemployment services; what services and how many services to provide; program linkages between the Unemployment Insurance, Wagner-Peyser (Employment Service) and Dislocated Worker (JTPA Title III) programs; adequacy of funding; and communication, feedback systems, and reporting.

Co-Editors: Stephen A. Wandner and Jon C. Messenger

Preface

Worker Profiling and Reemployment Services (WPRS) was developed to assist the workforce development system in facilitating dislocated workers in their efforts to return to work. Worker profiling is a mechanism to identify workers in need of reemployment assistance when they first become unemployed. As such, it is a mechanism for early identification of dislocated workers.

But workforce development programs also have limited funding to assist workers to return to work. These programs have to make allocation decisions about which individuals to serve. One alternative is to do so by a first-come, first-served process. This approach, however, may mean that unemployed workers seeking assistance later in a quarter or later in a program year may find that there are no resources to serve them even if those individuals have the greatest need for assistance. Worker profiling attempts to allocate reemployment services week by week over an entire year, balancing the availability of reemployment services with an objective measure of the need for these services based on individuals' risk of long-term unemployment. Providing services to those workers who would otherwise be unemployed the longest should increase the efficiency and effectiveness of the provision of reemployment services.

To make WPRS work, there has to be an adequate availability of services. The Twentieth Century Fund Task Force on Retraining America's Workforce

> . . . believes that profiling must be carefully designed to identify vulnerable workers . . . Those who are most likely to be out of work for long periods are identified by examining their education level, job experience, and conditions in the industry, occupation, or labor market in which they work. But Congress did not provide adequate resources to finance the job search assistance or retraining for those the system identified as at greatest risk . . . While some of the cost of job search assistance and training may be covered by programs funded under the new one-stop career centers, additional strategies will be needed to help workers who are identified as "at-risk"for long-term unemployment.[1]

Thus, worker profiling is a tool to target services and allocate scarce resources for workforce development programs. As such, it is a tool not only for the United States, but it has broader applications as well. The Organization for Economic Cooperation and Development (OECD) has reviewed this approach for its 29 industrial member nations. Reviewing the profiling experiences of Australia, Canada and the United States, the OECD found:

Evidence on the effectiveness of active labor market policies . . . suggests that they

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[1] Carl E. Van Horn, *No One Left Behind: The Report of the Twentieth Century Fund Task Force on Retraining America's Workforce*, The Twentieth Century Fund, New York, 1996, p. 40.

should be well targeted to the needs of individual job seekers and the labor market, and that treatment should start as early as possible in the unemployment spell. But offering individual treatment along with early intervention would be very costly. There is thus a premium on accurately identifying job seekers at risk.

The early identification of job seekers at risk of becoming long-term unemployed is a longstanding and basic endeavor of the public employment services (PES). Indeed, good judgement in this area forms part of the professional competence and work experience of PES staff. However, a few countries have gone further by introducing more formal methods of identifying at-risk job seekers and laying out procedures on what to do with them. This is usually referred to as profiling and is used in this paper to cover the approach of i) the identification of individuals at risk of long-term unemployment; ii) the referral to various active labor market programmes.[2]

During the time period that the WPRS Policy Workgroup report was completing its charge, the Workforce Investment Act (WIA) of 1998 was enacted into law, culminating a four-year bipartisan effort of the Administration and Congress to design, in collaboration with States and local communities, revitalized workforce investment systems. This new legislation sets the stage for restructuring a multitude of workforce development programs into an integrated workforce investment system that can better respond to the needs of all of its customers. The cornerstone of this new workforce investment system is One Stop service delivery, which makes available numerous employment, training, and education programs in a single, customer-focused, user-friendly system at the local level.

Though the WPRS Policy Workgroup's recommendations reflect program names and terminology as they currently exist, its recommendations very much reflect the spirit of the new WIA. For example, the Policy Workgroup's recommendations regarding the need for stronger linkages among the Wagner-Peyser (Employment Service), Dislocated Worker (Title III of the Job Training Partnership Act), and Unemployment Insurance programs are not only consistent with, but also likely to be facilitated by the WIA's focus on developing integrated One-Stop systems with comprehensive, seamless, responsive service delivery.

WPRS's focus on providing reemployment services to UI claimants identified as likely to exhaust benefits is also continued in the WIA. A new Section 3 (c)(3) of the Wagner-Peyser Act--an amendment established by the WIA--requires that the Secretary of Labor ensure that States provide reemployment services to claimants for whom such services are required as a condition of eligibility for unemployment insurance (UI) benefits. The State Wagner-Peyser agency, in conjunction with other One-Stop partners, should provide services to claimants referred to reemployment services through worker profiling.

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[2] The Organization for Economic Co-operation and Development (OECD), *Early Identification of Job seekers at Risk of Long-Term Unemployment: The Role of Profiling*, Paris, 1998, p. 9.

In support of this continuing effort to provide reemployment services to dislocated workers, the Clinton Administration has proposed a Universal Reemployment Initiative in its proposed Fiscal Year (FY) 2000 Budget. The Universal Reemployment Initiative makes a five-year commitment to ensure that every dislocated worker can receive reemployment services and training if they want and need it, and that every UI claimant who loses a job through no fault of their own can access core-employment related services through One Stop Career Centers. *This new initiative includes a Departmental request for $53 million specifically to provide increased reemployment services to UI claimants, so that by 2004, every unemployed worker who needs and wants help to get reemployed can get that assistance.*

Another example of how the Policy Workgroup's recommendations fit with the philosophy of the new WIA is the recommendation to expand profiling to *all* individuals who file an initial claim for unemployment insurance (UI) benefits--instead of just those individuals who actually to receive UI benefits--to serve the widest possible group of workers. Profiling individuals who might never receive UI benefits might not make sense from a program-specific perspective, but it is fully consistent with the WIA's focus on providing job seekers with universal access to a core set of career decision-making and job search tools.

In fact, worker or jobseeker profiling can be used even more broadly than just to refer dislocated workers to job search assistance services. Worker profiling is also being used to identify dislocated workers to receive self-employment assistance in eight States, based upon the results of two demonstration projects.[3] In addition, recent research has found that worker profiling would make reemployment bonuses — lump sum payments to dislocated workers who accelerate their return to work — more effective than when such an offer is less targeted. The Department of Labor's Employment and Training Administration (DOL/ETA) is working with localities to pilot the use of job seeker profiling for welfare recipients to determine their level of barriers to employment and the intensity of the employment services needed to assist them in moving from welfare to work.[4]

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[3] Jon C. Messenger and Stephen A. Wandner, co-editors, *Self-Employment as a Reemployment Option: Demonstration Results and National Legislation*, U.S. Department of Labor, Unemployment Insurance Occasional Paper 94-3, Washington, D.C., 1994. Self-Employment Assistance (SEA) programs for the unemployed were authorized for five years in legislation that was scheduled to sunset on December 8, 1998. On October 28, 1998, the President signed legislation making the SEA program permanent.

[4] Christopher J. O'Leary, Paul Decker, and Stephen A. Wandner, "Reemployment Bonuses and Profiling." W.E. Upjohn Institute for Employment Research, Staff Paper 98-51, Kalamazoo, Michigan, January 1997. Randall W. Eberts, "The Use of Profiling to Target Services in State Welfare -to-Work Programs: An Example of Process and Implementation." W.E. Upjohn Institute for Employment Research, Staff Paper 98-52, Kalamazoo, Michigan, October 1997.

I would like to thank all of the members of the Worker Profiling and Reemployment Services Policy Workgroup for their efforts during 1998 in reviewing the current situation in the WPRS system, developing the Policy Workgroup's recommendations, and reviewing several drafts of the Policy Workgroup report. I would particularly like to thank those individuals who worked with me writing this paper: Suzanne Schwartz of the Policy Workgroup, who worked with me to write the first draft of the report and conducted a preliminary analysis of the WPRS data from the ETA 9048 Report, and Jon Messenger, Team Leader for the Adult Research and Demonstration Unit in ETA, who had overall editorial responsibility for the final version of the report and also provided additional synthesis of the WPRS evaluation findings and further analysis of the WPRS 9048 data. I would also like to thank Suzanne Freed, who provided substantial editorial assistance with the report, particularly for the data tables and figures in Appendix C.

This report is published under the direction of ETA's Office of Policy and Research's Dissemination Team. I would like to thank Armelia Hailey, Team Leader, and Andre Robinson of the Team who arranged for the publication and distribution of the report

I hope that these recommendations will provide a basis for promoting the continuous improvement of the WPRS system.

Stephen A. Wandner
Chair
Worker Profiling and Reemployment Services
Policy Workgroup
February 1999

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Worker Profiling and Reemployment Services Policy Workgroup Executive Summary

The Worker Profiling and Reemployment Services (WPRS) Policy Workgroup was established in January 1998. The WPRS Policy Workgroup is composed of State, regional and Federal workforce development staff. The Policy Workgroup's charge was to examine the WPRS system as it has evolved from 1994-98 and provide recommendations to improve its quality and to make it more effective in achieving its ultimate goal -- enabling dislocated workers to find new jobs as rapidly as possible at wages comparable to their prior wages. In response, the Policy Workgroup has developed seven summary recommendations, which are presented below.

I. Modeling & Model Use: Within State resource constraints, States should update and revise their profiling models regularly, as well as add new variables and revise model specifications, as appropriate. The U.S. Department of Labor (DOL) should provide technical assistance to the States in profiling model development and collect and disseminate best practices from the States.

One of the primary areas of concern for the Policy Workgroup is the statistical model that almost all States use to determine the probability that an individual claimant will exhaust unemployment insurance (UI) benefits. This is a vital stage in the WPRS process because in order to intervene early in the unemployment spell of a claimant likely to exhaust UI benefits, one must be able to accurately identify this population of claimants. As Unemployment Insurance Program Letter (UIPL) 41-94 explains, at minimum, States must use first payment, recall status, hiring halls (if used in the State), and either industry or occupation as profiling variables to identify claimants for the purpose of referral to reemployment services. Other variables such as unemployment rate, job tenure, and education are recommended but optional. In the profiling statistical model, each variable has a State-specific weight. In addition, many States have included additional variables in their profiling models that may warrant inclusion in the models of other States.

From the experiences of the past few years, the Policy Workgroup has learned that States generally have not updated their profiling models since implementing their WPRS systems. This is likely to reduce the accuracy of the models over time--both because of changing conditions in the State and because the provision of reemployment services to referred claimants gradually changes the profile of claimants most likely to need services due to the impacts of the services[5].

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[5] Marisa Kelso, "Worker Profiling and Reemployment Services Profiling Methods: Lessons Learned." U.S. Department of Labor, unpublished working paper, 1998. The provision of services to referred claimants gradually changes the profile of claimants likely to need

For these reasons, the Policy Workgroup encourages States to update the weights in their models periodically to reflect changes in their economy and in the demographic composition and labor market experience of unemployed workers.

II. How to Profile: States should profile all claimants who file an new initial claim to better serve the widest possible group of dislocated workers. The Policy Workgroup believes that this change should be implemented in combination with additional resources for reemployment services (See Recommendation VI). Otherwise the total number of dislocated workers referred to services via profiling would not increase, since without an increase in funding for services, as more non-UI recipients are served, fewer UI recipients could be served. Thus, States will need flexibility in implementing this recommendation depending upon available resources.

As stated above, early intervention is one of the primary objectives of the WPRS system. Enactment of worker profiling legislation was meant to better meet dislocated workers' needs for early reemployment services by using the UI program to identify those workers most "at-risk" of long-term unemployment and then link them with the services they need to accelerate their reemployment. In turn, this would increase workers' total employment and shorten claimants' unemployment duration, thereby also providing a savings to the UI trust fund. Moreover, these studies indicate that job search assistance is most effective when it is provided both intensively and early in workers' spells of unemployment.

The combined findings of several State research demonstration projects -- in Minnesota, Nevada, New Jersey, South Carolina, and Washington -- provide strong evidence that intensive reemployment services, such as job search assistance services, for dislocated workers is an effective and efficient use of public resources. All of these projects were conducted as random assignment experiments (i.e., individuals were randomly placed into either a "participant group" that received some set of special program services or in a "control group" that did not receive those services). Although the results varied somewhat across the projects, overall, they showed the following common results:

- *Job search assistance participants found a new job more quickly and the duration of UI benefit payments was reduced.* Individuals receiving job search assistance (JSA) found new employment one-half to 4 weeks sooner (depending upon the State) than similar individuals who did not receive assistance.

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assistance because the impact of the services on participants. For example, reductions in UI benefit durations among claimants who are WARS participants will mean that claimants who are not served will have a *relatively* higher likelihood of benefit exhaustion, making them *relatively* more likely to be referred to services in the future. This is an evolutionary process.

- *The program was cost-effective for the government.* In each State experiment, the savings in UI benefit payments plus the increase in tax receipts due to faster reemployment were more than enough to pay for program costs. Savings to the government averaged around $2 for every $1 invested in targeted JSA services.

- *Shorter job searches did not lead to jobs that paid less.* In the two experiments where earnings data were available, job search participants not only found a job more quickly, but hourly earnings were similar to those in jobs found by non-participant workers. This additional employment also resulted in increased total earnings in the year after the UI claim.[6]

Taken together, the strength of these results indicates that providing reemployment services to dislocated UI claimants as early in their unemployment spell as possible is of vital importance.

UIPL 41-94 stated that, although claimants likely to exhaust UI benefits can be identified prior to receipt of first payment, the Department of Labor recommended referral at the point of first payment. However, even then the need for early intervention was evident by the fact that the Department of Labor recommended that claimants be removed from the selection pool after only four weeks. When one takes into account the amount of time it takes for claimants to receive their first payment (generally about two weeks but often longer), it becomes evident that this delay limits the ability of the WPRS system to intervene early in a claimant's unemployment spell. Therefore, the Policy Workgroup recommends that States profile *all* new claimants for regular compensation at the time when they file a claim for UI benefits.

III. Who and When to Refer: States should accelerate their profiling and referral process to be certain that those individuals identified as likely to exhaust UI benefits and referred to reemployment services truly receive early intervention assistance, and ensure that the WPRS selection pool is limited to those claimants who are most likely to exhaust UI benefits. Also, States should consider using individualized reporting for claimants with high probabilities of exhausting benefits, especially for conducting Eligibility Reviews. Interstate claimants should participate in the WPRS system, using an approach that the States and DOL should jointly develop. In addition, DOL should provide technical assistance to the States in improving their selection and referral processes and collect and disseminate best practices from the States.

Based upon data from the ETA 9048 Report for Calendar Year 1997, the Policy Workgroup found that, *nationwide, only about one-third of all claimants profiled and*

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[6] U.S. Department of Labor, Office of the Chief Economist, "What's Working (and what's not): A Summary of Research of the Economic Impacts of Employment and Training Program," Washington, D.C., January 1995, p. 49 (Table 2).

subsequently placed in the "selection pool" gets referred to reemployment services.[7] This is of great consequence because all claimants in the selection pool have been deemed "likely to exhaust their benefits." These data highlight the need for a reexamination of how one determines which claimants are placed in the selection pool and when reemployment services can be provided to claimants most in need of assistance. The WPRS Evaluation Report to Congress found that about one-third of the States did not have the flexibility to change the number of individuals referred to services based on need. As a result, " . . . areas with relatively low levels of dislocation served claimants with relatively low probabilities of exhaustion, while areas with larger dislocations served only those with the highest probabilities of exhaustion."[8] To address this concern, the WPRS Evaluation Report to Congress recommends that:

> Both states and ETA should provide greater oversight and ongoing monitoring of profiling and referral practices to ensure that they are being carried out so that claimants with the highest probability of exhausting their UI benefits are given priority for services.[9]

An analysis of the early stages of the WPRS implementation by Dr. Terry Johnson of the Battelle Memorial Institute in Seattle prepared for the National WPRS Colloquium drew similar conclusions. Johnson found that States varied dramatically in the percentage of UI claimants referred to reemployment services (from less than 3 percent to more than 75 percent) and in the scope and intensity of reemployment services provided (from orientation alone to orientation, assessment, and additional job search workshops). His analysis of the data indicated that States that use a more highly selective profiling strategy are generally much more likely to provide job search workshops to referred claimants than States that use a less selective profiling strategy.[10]

One way of implementing a "more highly selective profiling strategy" is for States that have not already done so to consider establishing a "threshold probability"-- a probability of

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[7] This analysis is based on nationwide data from the ETA 9048 Report for Calendar Year (CY) 1997. This data is presented in Figure 2 of Appendix C of this paper.

[8] Katherine P. Dickinson, Suzanne D. Kreutzer, and Paul T. Decker, *Evaluation of Worker Profiling and Reemployment Services Systems: Report to Congress,* U.S. Department of Labor, Employment and Training Administration, Office of Policy and Research, Washington, D.C., 1997, p. E-3.

[9] *Ibid.,* p. E-9.

[10] Terry R. Johnson, "Reemployment Service Strategies for Dislocated Workers: Lessons Learned from Research," *Worker Profiling and Reemployment Services (WPRS) System: National WPRS Colloquium, June 1996: Selected Papers and Materials*, U.S. Department of Labor, Employment and Training Administration, Washington, D.C., 1996.

exhaustion score below which profiled claimants would *not* be considered likely to exhaust their UI benefits and thus should *not* be referred to reemployment services. The establishment of such a threshold probability recognizes the fact that not all profiled claimants who are assigned a probability score actually need reemployment services, and would establish a mechanism within State WPRS systems to ensure that these claimants are not placed in the selection pool. This ensures that the WPRS selection pool is limited to only those claimants who have a relatively high likelihood of exhausting benefits (as established by the State), which in turn helps to ensure that available funds for reemployment services are used efficiently. At the same time, it needs to be recognized that some individuals with low exhaustion probabilities may need services and have the option of volunteering for services. Consideration should also be given to making special referrals for claimants found to have been inaccurately profiled (e.g., due to inaccurate data).

Another major issue considered by the Policy Workgroup concerns which claimants are being profiled and referred to services and when to refer claimants to services. UIPL 41-94 states that the UI agency ultimately will profile *all* claimants -- intrastate, interstate, ex-service members, federal workers, and combined wage claimants. Up until now, interstate claimants have not been profiled; logistical problems resulted in the decision to delay the inclusion of interstate claimants in the population of claimants who are profiled and referred to services. Now that State WPRS systems are fully operational, the Policy Workgroup believes that the time is ripe for considering an expansion of WPRS to serve interstate claimants as well, and that a pilot test of interstate claimant profiling might be a useful first step in this direction.

IV. What Services/How Many Services: States should continually evaluate the reemployment services provided to profiled and referred claimants and seek to continually improve those services by ensuring that these individuals are provided with an orientation and assessment and receive assistance in preparing individual service plans that will ensure that they receive additional services tailored to their individual needs. Since the receipt of job search assistance services has been shown to be cost-effective for dislocated workers, and the provision of more services generally yields greater customer satisfaction, existing resources should be allocated to provide these services, and additional resources should be provided to enable States to provide more intensive, in-depth services to WPRS participants. States should also consider linking the UI Eligibility Review process with WPRS to provide for follow-up with those profiled and referred claimants who are still unable to return to work, and thus may need further assistance later in their unemployment spell.

States vary widely in the breadth and depth of the reemployment services that are provided to profiled and referred claimants. According to the WPRS Evaluation Report to Congress, in three-quarters of the States, a "core" set of mandatory services is required to be provided to WPRS participants. These required services included a brief (one hour or less) orientation in virtually all States and, in about half of the States, a group workshop providing

reemployment services--typically, four hours or less.[11] The report found that:

> "In about one-third of these States, almost no claimants were required to participate in any services beyond the mandatory core services. In contrast, in 45 percent of the States, more than half of WPRS claimants were required to participate in additional services, as specified in their service plan. *These latter States were more in conformance with ETA's 'basic operational concept' of customized services based on each claimant's need.*"[12]

Thus, a third of States were providing only minimal reemployment services--five hours or less, on average--to WPRS participants. These minimal services are a major departure from the intensive JSA service strategies tested in New Jersey and other State demonstration projects, which produced the significant impacts described earlier; therefore, they are unlikely to produce the desired impacts on WPRS participants in terms of reduced unemployment and early return to work. In addition to the research results showing that intensive JSA services are cost-effective, the results of a WPRS customer satisfaction survey conducted for the WPRS Evaluation Interim Report clearly show that overall customer satisfaction was higher when individual service plans were created and when claimants received more intensive services.[13]

Dr. Terry Johnson's analysis provides some prescriptions for suggested reemployment services practices based upon the research literature on these types of services:

- Although there is strong evidence that providing intensive reemployment services early in the unemployment spell is cost-effective, don't package together any single set of services and provide them to everyone. This approach will not be as effective as individually developed service plans.

- Do not target broadly and spread a thin layer of reemployment services over the broad population. It will have a limited impact. Instead, target selectively and offer in-depth services to the targeted group. Give people the reemployment services they need to return to work.

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[11] Dickinson, Kreutzer, and Decker, 1997, pp. E-3 and E-4.

[12] *Ibid.*, p. E-4. Emphasis Added.

[13] Evelyn K. Hawkins, Katherine P. Dickinson, Suzanne D. Kreutzer, Paul T. Decker, and Walter S. Corson, *Evaluation of Worker Profiling and Reemployment Services Systems: Interim Report,* U.S. Department of Labor, Unemployment Insurance Occasional Paper 96-1, Washington, D.C., 1994. See page A-19 of this report for an in-depth description of these customer satisfaction findings.

- If you offer a job search workshop, make sure it is in-depth. Brief workshops will not provide real services to the participants.[14]

In keeping with these research-based prescriptions, the Policy Workgroup recommends that States provide comprehensive, in-depth reemployment services to WPRS participants, based upon the development of an individual service plan for each participant. This includes linking the UI Eligibility Review process with WPRS to provide a point of follow-up with participants who may need additional assistance later in their unemployment spell.

V. Program Linkages: For WPRS purposes and as part of the One-Stop initiative, operational linkages between the Wagner-Peyser Act, JTPA Title III and UI programs should be further strengthened. The organizations responsible for operating these three programs should work closely together in the profiling/referral process, the providing of reemployment services, and in communications and feedback systems.

An issue of great concern to the Policy Workgroup is linkages between employment and training programs in the operation of State WPRS systems. The WPRS Evaluation Report to Congress found that, "In many States UI, ES, and EDWAA [JTPA Title III] coordinated extensively in WPRS-related activities."[15] Linkages between the UI and Wagner-Peyser Act programs were working relatively well in almost all States, and in 60 percent of the States, EDWAA was "substantially involved" in at least one major WPRS task. However, in the remaining 40 percent of States, the linkages between UI/Wagner-Peyser Act programs with the JTPA Title III program were less well-established.[16]

For this reason, the Policy Workgroup recommends that operational linkages between these three programs should be strengthened to better serve their common customer: dislocated workers. In particular, States should make a greater effort to improve linkages with the JTPA Title III (EDWAA) program on WPRS tasks. As stated in the WPRS Evaluation Report to Congress, "Such cooperation not only may increase the menu of services available to WPRS claimants, but will also better align the major source of WPRS funding [for reemployment services] with EDWAA agencies' involvement in and 'ownership' of the WPRS system."[17]

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[14] Terry R. Johnson, "Reemployment Service Strategies for Dislocated Workers: Lessons Learned from Research," *Worker Profiling and Reemployment Services (WPRS) System: National WPRS Colloquium, June 1996: Selected Papers and Materials*, U.S. Department of Labor, Employment and Training Administration, Washington, D.C., 1996, p. 209.

[15] Dickinson, Kreutzer, and Decker, 1997, p. E-6.

[16] *Ibid.*

[17] Dickinson, Kreutzer, and Decker, 1997, p. E-8.

VI. Funding: Since the provision of intensive and comprehensive reemployment services increases program effectiveness and customer satisfaction, it is crucial that adequate funds are devoted to providing these services through State WPRS systems. Additional resources for reemployment services could be provided through increased appropriations, or through a reallocation of resources between employment and training fund sources.

The key arguments for increased funding for WPRS reemployment services are based on findings that show job search assistance services to be cost-effective and valued by customers who receive these services. We have seen from the experiments in five States that individuals receiving substantial amounts of job search assistance (JSA) found jobs more quickly, increasing their employment and earnings. Providing this JSA proved cost effective to the government sector--due both to savings in UI payments and to increased tax receipts due to participants' increased employment.

An impact analysis of the prototype and test States conducted as part of the WPRS Evaluation confirmed these findings for the three States that had reliable data. The impact analysis for the WPRS Evaluation Report to Congress indicates that "Estimates based on the early implementation States provide reasonably strong evidence that WPRS, as it was implemented in those States, [statistically] significantly reduced UI benefit receipt."[18] On average, UI payments to profiled and referred claimants were reduced by more than half a week--which translates into a UI savings of about $100 per referred claimant on average. In one of three States--the State with the most intensive set of services (New Jersey)--the evaluation also found that WPRS significantly reduced the proportion of UI benefit entitlement received by participants by about 2 percentage points and the rate of UI benefit exhaustion by more than 4 percent, when compared with the comparison group.[19]

Overall, "WPRS claimants received substantially more services than comparable claimants who were not referred to WPRS."[20] For example, these claimants were more likely to receive assessment services; more likely to receive other types of job search assistance services, with the specific services depending on the State (e.g., job placements and referrals in Delaware, job search workshops in New Jersey); and more likely to enroll in the JTPA Title III program. WPRS also changed the timing of services to dislocated workers so that they typically received services earlier in their unemployment spells.

Despite declining resources provided for the Wagner-Peyser programs over the past two decades, job search assistance services provided to UI claimants have been increasing, especially

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[18] *Ibid.*, p. E-10.

[19] *Ibid.*

[20] *Ibid.*, p. E-9.

in the past few years with the enactment of WPRS legislation. ETA 9002 Report data on job search assistance services provided to UI claimants show that *ES-provided Job Search Activities (JSA) for claimants increased 40 percent from PY 1994 to PY 1996*--from 1,740,208 claimants receiving JSA in PY 1994 to 2,306,738 claimants who received JSA in PY 1996. *Much of this increase appeared to be attributable to the reemployment services provided to profiled and referred claimants through WPRS.*[21] It is clear that the provision of JTPA Title III services to UI claimants who are dislocated workers has also increased, but specific national figures will not be available until the revised JTPA reporting system data for Program Year 1998--which will break out claimants referred through worker profiling as a separate subgroup--becomes available.

Despite these substantial increases in the provision of job search assistance services to UI claimants, *nationwide, only a third of those profiled claimants in the WPRS selection pool ever get referred to reemployment services.*[22] Also, while there are modest seasonal fluctuations from one quarter to another, the most significant finding was the wide variation among States in their ability to match the supply of reemployment services with the need for these services. *While several States are able to refer more than 90 percent of claimants in the selection pool to services, other States are unable to refer even 20 percent of these claimants to services.*[23] Overall, the Policy Workgroup believes that these data clearly demonstrate the supply of reemployment services is a significant issue that needs to be addressed, and therefore, that additional resources need to be devoted to funding reemployment services provided through State WPRS systems.

The enactment of the Workforce Investment Act of 1998 places great emphasis on making a core set of employment-related services available through One-Stop Centers. This offers an important new opportunity to expand funding for job search assistance to serve both UI claimants and other job seekers in need of reemployment services.

VII. Communication, Feedback Systems, and Reporting: WPRS data and communications

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[21] U.S. Department of Labor, Employment and Training Administration, U.S. Employment Service, "U.S. Employment Service Annual Report: PY 1996 Program Report Data," U.S. Department of Labor, December 1997, p. C-3.

[22] This analysis is based on nationwide data from the ETA 9048 Report for Calendar Year (CY) 1997. This data is presented in Figure 2 of Appendix C of this paper.

[23] This analysis is based on data for the individual States from the ETA 9048 Report for the 4th Quarter of CY 1997. This State-by-State data is presented in Figure 3 of Appendix C. While there is variation in referral rates within States across quarters (State-by-State 9048 data for other quarters is not presented in this report), the overall finding of wide variations in WPRS referral rates across States holds for all quarters in CY 1997.

should be improved. States should improve the accuracy and timeliness of their reporting data, improve their WPRS communications and feedback mechanisms, and share data among State partners. DOL should monitor the WPRS outcomes from State reporting data, and disseminate data and program analysis to the employment and training system. DOL should also provide technical assistance to the States in developing their communications, feedback, and reporting mechanisms, and collect and disseminate best practices from the States.

According to the WPRS Evaluation Report to Congress, virtually all States had developed an automated data system to track referred claimants' progress in reemployment services, and about half of the States developed new data systems specifically for WPRS. In many cases, however, the UI data systems and the service providers' or WPRS-specific data systems were not linked electronically. This often resulted in duplicate data entry and the need to resort to paper reports for communicating about the status of WPRS participants. As a result, the report states that "It is clear that further automation of claimant tracking processes, especially automated service plans, could make these processes more efficient."[24]

Since State WPRS systems depend on the coordinated efforts of several different partners, communication and feedback systems are vital to making sure WPRS works effectively and serves its customers well. Partners need to keep good records and work to efficiently exchange the data needed to operate and manage the WPRS system. Also, DOL needs good reporting and evaluation data, if it is to be able to provide program analysis and best practices information on WPRS to the entire workforce development system. For all of these reasons, the Policy Workgroup recommends that the data and communications systems that support WPRS should be improved as follows: States should report WPRS data as accurately and timely as possible and share this data among State partners; DOL should monitor the outcomes of profiling using the ETA 9049 Report and WPRS evaluations; and States should increase the level of automation of their feedback mechanisms and WPRS operating systems. In addition, a data validation process for WPRS reports may also need to be created.

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[24] Dickinson, Kreutzer, and Decker, 1997, p. E-5.

I. Introduction

This paper is the final report of the Worker Profiling and Reemployment Services (WPRS) Policy Workgroup, a group consisting of program and policy staff from State workforce development systems, as well as regional and national office staff of the U.S. Department of Labor (DOL). (See Appendix B for a list of Policy Workgroup members.) The Policy Workgroup was formed in January 1998 as a direct result of the Unemployment Insurance Service (UIS) Retreat on the unemployment insurance (UI) program's role in the One Stop System and has met three times to review the background sections of this report and to develop and revise the recommendations that are presented in the main section of this paper. The full report provides some background information about the WPRS initiative; reviews the development and implementation of WPRS from 1994 to the present; considers options for changes and modifications to the current WPRS system; and presents the recommendations of the Policy Workgroup for improving the WPRS system.

The creation of the WPRS system represents a major development in the Unemployment Insurance (UI) program. Throughout its history, UI has been concerned mainly with providing temporary compensation to eligible unemployed people while they look for a new job. Reflecting the economic reality of unemployment, which has been primarily caused by variations in the business cycle, UI alleviates economic hardships with temporary income maintenance until workers are able to return to jobs in their previous occupation/industry or with their last employer. In the past, UI rarely got involved with the provision of reemployment services. However, as economic conditions have changed and permanent dislocations of workers has become more common, UI has expanded the scope of its mission to better meet the needs of dislocated workers who are likely to exhaust their UI benefits before finding a new job.

WPRS also creates operational linkages between the UI program and the providers of reemployment services, e.g., the Employment Service (ES) and the Job Training Partnership Act (JTPA) programs. Worker profiling serves two functions for service providers. First, it targets those unemployed workers who are most in need of services and who programmatically qualify as dislocated workers. Second, the profiling mechanism is a resource allocation device that, through its flexibility, can precisely adjust the flow of referrals (the need for services) to the availability of services (supply) from the service providers.

WPRS is also a useful tool for State workforce development organizations. WPRS allows States to target dislocated workers in need of services before they experience social and economic problems which may require the provision of more intensive services. It targets individuals in need of reemployment services without overwhelming program capacities. It can be a flexible system of referral that can assure service providers with a reasonably steady flow of individuals in need of their services. WPRS also encourages States to provide a greater amount of job search assistance (JSA) in their mix of services, which numerous research studies have

shown to be the most cost effective of all services for dislocated workers.[25]

In November 1993, the United States Congress enacted legislation which included provisions requiring each State to implement its own permanent WPRS system. Using statistical models, the WPRS system identifies dislocated unemployment insurance claimants who are likely to exhaust their UI benefits and refers these claimants to agencies that will provide them with job search assistance. The key is to profile and refer individuals during the early weeks of their period of unemployment to enable them to find new jobs swiftly.

Overall, *WPRS systems consist of four fundamental components.*[26] In brief, these four components are as follows:

- Identification of those individuals who are likely to exhaust their UI benefits, have difficulty finding new employment, and would benefit from reemployment services, through statistical profiling models based on individual characteristics and State and local economic conditions;

- Selection and referral to services of those individuals identified via profiling models as *the most likely to exhaust their UI benefits and become long-term unemployed*;

- Provision of reemployment services, such as job search assistance, to individuals referred to services; and

- Feedback of information from service providers to the UI program on referred claimants' participation in services, the types of services they received, and their employment outcomes.

Through cooperative arrangements between the UI, Wagner-Peyser Act, and JTPA Title III programs, implementation of State WPRS systems was achieved nationwide. WPRS systems became operational in all States early in 1996.

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[25] See for example, Bruce Meyer, "Lessons learned from the U.S. Unemployment Insurance Experiments" in *Journal of Economic Literature*, Vol. 33, March 1995, pp. 91-131.

[26] An in-depth discussion of these four fundamental components of WPRS systems is presented in Attachment E of Field Memorandum 35-94, "Worker Profiling and Reemployment Services Initiative: Basic Operational Concepts" in U.S. Department of Labor, Employment and Training Administration, *The Worker Profiling and Reemployment Services System: Legislation, Implementation Process, and Research Findings*, Unemployment Insurance Occasional Paper 94-4, Washington, D.C., 1994, pp. 87-103.

The importance of WPRS cannot be overstated since it addresses the needs of dislocated workers -- a substantial segment of the population of unemployed Americans. Dislocated workers are workers who have been permanently laid off, face substantial earnings losses due to their job displacement, and often have difficulty finding a new job.[27] Worker dislocation has become a significant problem in the United States over the past two decades. Global competition and rapidly-evolving technologies have resulted in the dislocation of millions of workers from their jobs. The new reality is that a large portion of those who lose their jobs never get them back. In 1984, the Bureau of Labor Statistics initiated a biennial series of special dislocated worker surveys to estimate the number of dislocated workers and to discern any trends in worker dislocation. These surveys revealed that over 2 million individuals are dislocated each year.[28] They also revealed that many dislocated workers had long job tenure with their previous employer. Research has demonstrated that workers with tenure of three years or longer with their previous employer have been found to experience longer spells of unemployment and to be more likely to experience a reduction in earnings of 20 percent or more than workers with less than three years of tenure.[29] In light of this, programs like WPRS that are designed to assist individuals who typically have difficulty finding new employment at wages comparable to what they had previously been are of the upmost importance. Moreover, since displaced workers are a more job-ready population than virtually any other population of adults served by employment and training programs,[30] job search assistance is a particularly appropriate type of service to provide to them.

However, now that WPRS has been implemented for at least three years in all States, it is time to reflect upon the experiences States have had with this new system and recommend modifications that hindsight indicates would improve the quality of State WPRS systems and would make them more effective in achieving their ultimate goal -- enabling dislocated workers to find jobs with wages comparable to the compensation they received in prior employment as soon as possible. The Employment and Training Administration (ETA) recognizes this need as

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[27] U.S. Department of Labor, Office of the Chief Economist, "What's Working (and what's not): A Summary of Research on the Economic Impacts of Employment and Training Programs", January 1995, p. 47.

[28] Stephen A. Wandner, "Unemployment and Social Security: Early Reemployment for Dislocated Workers in the United States", *International Social Security Review*, volume 50, 4/97, p. 96.

[29] Congressional Budget Office, *Displaced Workers: Trends in the 1980s and Implications for the Future*, Congressional Budget Office, Washington, D.C., 1993.

[30] U.S. Department of Labor, Office of the Chief Economist, "What's Working (and what's not): A Summary of Research on the Economic Impacts of Employment and Training Programs", January 1995, p. 47.

well.

This paper presents a list of seven recommendations concerning the future direction of the WPRS system. Incorporated in these recommendations are the opinions solicited informally from stakeholders in the workforce development system by ETA concerning the document entitled, *A National Dialogue on The Unemployment Insurance Program in the Workforce Development System (1997)*. These recommendations are based upon more in-depth information and analysis regarding the development of WPRS, implementation experiences, and relevant research and evaluation results, which is presented in the "Background Paper on Worker Profiling and Reemployment Services" in Appendix A.

II. WPRS Policy Review Process

As noted earlier, UIS held a retreat in March 1997 to consider the role of the UI program within an emerging workforce development system based upon One-Stop centers. Among the issues discussed by UI staff, ETA Regional Administrators, and staff from other ETA offices were the following: maintaining connections between the UI program and the other components of the workforce development system for reemployment services; providing workers with the information, skills, and abilities needed to qualify for employment opportunities; and furthering the goal of reemployment. *Participants at the retreat agreed that WPRS clearly is one of the main points of connectivity between the UI program and other partner organizations in the workforce development system.*

Soon after this retreat, ETA distributed an early draft of *A National Dialogue on the Unemployment Insurance Program in the Workforce Development System,* a paper that provides a framework for a national dialogue regarding these and other related issues. In this paper, ETA proposes the exploration of "the potential to devise a system of profiling which could be used at the initial claim process to characterize all UI claimants as to the types of services they need, if any, and to refer them automatically to these services." Comments on this paper were solicited from States, local areas (including SDAs), regions, and stakeholders. Of the 34 sets of comments received by ETA, 15 directly address the WPRS system.[31] An employer association known as the Unemployment Benefit Advisors (now renamed UWC) contributed their insights as well. An inventory of recommendations was then developed based upon this input, and used as the starting point for the Policy Workgroup to develop its own recommendations.

One of the important outcomes of the March 1997 retreat was the decision to create the

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[31] Comments on WPRS were received from States and/or Locals in California, Connecticut, Florida, Kansas, Maryland, Montana, New Jersey, North Carolina, Ohio, Pennsylvania, Texas, and Wisconsin.

Worker Profiling and Reemployment Services (WPRS) Policy Workgroup. The WPRS Policy Workgroup's charge was to examine the WPRS system as it has evolved from 1994-98, review how well it has worked and findings available from the WPRS Evaluation and other research studies, and then provide recommendations to improve its quality and effectiveness in achieving its ultimate goal: enabling dislocated workers to find new jobs as rapidly as possible at wages comparable to their pre-unemployment wages.

III. Policy Review Policy Workgroup Recommendations

Appendix A of this paper represents the WPRS Policy Workgroup's review of the development and results of the WPRS system, based on research, policy and program documents, and the input from States and other stakeholders regarding the system. The Policy Workgroup utilized this information along with the knowledge and experience the members bring from their States, regions, and program offices to develop a set of recommendations concerning the WPRS system.

The Policy Workgroup has developed seven categories of recommendations, which relate the four basic components of WPRS described in the first section of this paper.

- The first two categories of recommendations -- "Modeling and Model Use" and "How to Profile"-- relate to the first component of WPRS systems, identification of individual likely to exhaust UI benefits.

- The third category of recommendations -- "Who and When to Refer"-- relates to the second component of WPRS systems, selection and referral of individuals who have been identified as likely exhaustees.

- The fourth and sixth categories of recommendations -- "What Services / How Many Services"and "Funding" (for services) -- both relate to the third WPRS component, reemployment services.

- The seventh category of recommendations -- "Communication, Feedback Systems, and Reporting" -- relates to the fourth components of WPRS, feedback from service providers to the UI program.

- The fifth category of recommendations -- "Program Linkages" -- emphasizes the importance of establishing effective operational links between the UI, ES, and JTPA (which is now transitioning to the WIA) programs for all four components of WPRS systems.

An analysis of each of these seven categories, along with the Policy Workgroup's specific recommendations for each category, is presented below.

I. Modeling & Model Use

Summary Recommendation 1: Within State resource constraints, States should update and revise their profiling models regularly, as well as add new variables and revise model specifications, as appropriate. DOL should provide technical assistance to the States in model development and collect and disseminate best practices from the States.

One of the primary areas of concern for the Policy Workgroup is the statistical model that almost all States use to determine the probability that an individual claimant will exhaust UI benefits. This is a vital stage in the WPRS process because in order to intervene early in the unemployment spell of a claimant likely to exhaust UI benefits, one must be able to accurately identify this population of claimants. At a minimum, States must use first payment, recall status, hiring halls (if they are used in the State), and either industry or occupation as profiling variables to identify claimants for the purpose of referral to reemployment services. Other variables such as unemployment rate, job tenure, and education are recommended but optional.[32] In the worker profiling statistical model, each variable has a State-specific weight. The Department of Labor encourages States to update the weights in their models periodically to reflect changes in their economy and the demographic composition and labor market experience of unemployed workers.

From the experiences of the past few years, the Policy Workgroup has learned that several States have included some additional variables that may warrant inclusion in the models of other States. Further, States generally have not been able to update their models. For these reasons, the Policy Workgroup makes the following recommendations:

1. States should update their statistical models.

WPRS statistical models should reflect changes in workforce development programs, the populations they serve, and the economic conditions in which they operate. A system which is programmed for conditions at a specific time will not reflect the needs of the claimant population three years later. The system must reflect not only the level of unemployment, but also the dynamics of the economy in which industries are expanding and contracting, and firms are coming into and going out of existence. The economy of 1994 is very different from the economy of 1999. We have learned that less than 25 percent of States have updated their model

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[32] See Unemployment Insurance Program Letter 41-94 in *The Worker Profiling and Reemployment Services System: Legislation, Implementation Process, and Research Findings*, U.S. Department of Labor, Unemployment Insurance Occasional Paper 94-4, Washington, D.C., 1994, p. 35.

in recent years.[33] We recognize that State programming resources are limited and that they have other priority activities (e.g., reprogramming for the year 2000). However, to the extent that State resources are available, every two to three years States should update and refine their models, as appropriate, to maximize their accuracy.

2. States should: 1) use appropriate variables and 2) consider adding new variables and revising model specifications.

Some States are not using a variable related to the claimant's occupation to construct their model. This results in a model based primarily on an industry code and years of job tenure. Such models may lead to the inaccurate identification of claimants likely to exhaust benefits. An example of an individual who might be identified as likely to exhaust under such a model is a worker in a sharply declining industry who works in a high growth occupation. Because of high demand for individuals with particular, occupation-specific skills, this individual may easily find a job in another industry. Consequently, it is recommended that States include a variable designating the occupation that is most applicable for the claimant.

In addition, it would be wise to examine new data available to the States, possibly including data sources generated through the America's Labor Market Information System (ALMIS) investments. These data, and potential future data sources, could assist in the improvement of profiling models. For example, States have tested and implemented a number of new variables, such as weekly benefit amount, potential benefit duration, and the time gap between the work ending date and the UI claim filed date.

3. The Department of Labor (DOL) should share State and Federal best practices.

DOL should serve as a clearinghouse for information on States' models and their use. Best practices should be shared about all aspects of WPRS, including data sources, model development, variables used and model specifications, and application of these models in a variety of operational settings.

For example, DOL should distribute a guide of lessons learned based on a comparative analysis of State efforts to develop and implement profiling variables and model specifications. Information should be collected regarding the variables that States use, and written and tabular summaries should be produced and distributed as hard copy and on the DOL ETA web site. States should share their own innovative approaches in a number of venues, including on the DOL ETA website.

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[33] Marisa Kelso, "Worker Profiling and Reemployment Services Profiling Methods: Lessons Learned." U.S. Department of Labor, unpublished working paper, 1998.

DOL profiling technical assistance staff should also share their findings from working with a variety of States. They could describe the most efficient and least staff-intensive ways to update profiling models. Since use of telephone claims and One-Stops are approaches promoted by DOL, identifying successful WPRS models in States that already adopted these approaches and technologies and disseminating of best practices is recommended.

4. DOL should provide more technical assistance in improving/updating models.

Technical assistance is currently available to the States to update their models, but it is seldom requested. Information should be distributed to the States to ensure that they are aware of the availability of help. In general, this help can guide States in producing the most accurate model updates at minimum cost and effort. In particular, assistance would be useful for testing the value of potential additional variables to the model and changing model specifications.

II. How to Profile

Summary Recommendation II: States should profile all claimants who file an new initial claim to better serve the widest possible group of dislocated workers. The Policy Workgroup believes that this change should be implemented in combination with additional resources for reemployment services (See Recommendation VI). Otherwise the total number of dislocated workers referred to services via profiling would not increase, since without an increase in funding for services, as more non-UI recipients are served, fewer UI recipients could be served. Thus, States will need flexibility in implementing this recommendation depending upon available resources.

As stated above, early intervention is one of the primary objectives of the WPRS system. Enactment of WPRS was meant to better meet the need of dislocated UI claimants for early reemployment services and to accelerate their reemployment. In turn, this would increase workers' earnings and shorten claimants' unemployment duration, thereby providing a saving to the UI trust fund. The combined findings of several State research demonstration projects -- in Minnesota, Nevada, New Jersey, South Carolina, and Washington -- provide strong evidence that intensive reemployment services, such as job search assistance services, for dislocated workers is an effective and efficient use of public resources. All of these projects were conducted as random assignment experiments (i.e., individuals were randomly placed into either a "participant group" that received some set of special program services or in a "control group" that did not receive those services). Although the results varied somewhat across the projects, overall, they showed the following common results:

- *Job search assistance participants found a new job more quickly and the duration of UI benefit payments was reduced.* Individuals receiving job search assistance (JSA) found new employment between one-half to 4 weeks sooner (depending upon the State) than similar individuals who did not receive assistance.

- *The program was cost-effective for the government.* In each State experiment, the savings in UI benefit payments plus the increase in tax receipts due to faster reemployment were more than enough to pay for program costs. Savings to the government averaged around $2 for every $1 invested in targeted JSA services.

- *Shorter job searches did not lead to jobs that paid less.* In the two experiments where earnings data were available, job search participants not only found a job more quickly, but hourly earnings were similar to those in jobs found by non-participant workers. This additional employment also resulted in increased total earnings in the year after the UI claim.[34]

Taken together, the strength of these results indicates that providing reemployment services to dislocated UI claimants as early in their unemployment spell as possible is of vital importance.

UIPL 41-94 stated that although claimants likely to exhaust UC benefits can be identified prior to receipt of first payment, the Department of Labor recommended referral at the point of first payment.[35] However, the need for early intervention was evident by the fact that the Department of Labor recommended that claimants be removed from the selection pool after four weeks. When one takes into account the amount of time it takes for claimants to receive their first payment (generally, about two weeks but frequently longer), it becomes evident that this delay constrains the ability of the WPRS system to intervene early in a claimant's unemployment spell. For this reason, the Policy Workgroup makes the following recommendation:

Profile all claimants who file an initial claim.

Profiling at the time that workers file UI initial claims is clearly permitted in the Federal worker profiling legislation, which calls on States to "establish and utilize a system of profiling all new claimants for regular compensation that . . . identifies which claimants will be likely to exhaust regular compensation . . ." Early DOL guidance reflected a concern that some States might not be able to comply with this requirement immediately. While States overwhelmingly adopted the DOL guidance, Georgia adopted a WPRS system that profiles initial claimants and accelerates the provision of reemployment services compared to other States.

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[34] U.S. Department of Labor, Office of the Chief Economist, "What's Working (and what's not): A Summary of Research of the Economic Impacts of Employment and Training Program," Washington, D.C., January 1995, p. 49 (Table 2).

[35] See Unemployment Insurance Program Letter 41-94 in *The Worker Profiling and Reemployment Services System: Legislation, Implementation Process, and Research Findings* 1994, p. 35.

Individuals excluded from WPRS because they are not eligible for UI may still have a need for reemployment services. Regardless of their eligibility for UI benefits, these individuals should be provided resources that enhance their job finding skills. Providing information and reemployment services to these individuals meets the purpose of the workforce development system and the One-Stop concept.

Some individuals who will not receive UI benefits may thus be referred to reemployment services. Participation of non-beneficiaries is on a voluntary basis and UI eligibility requirements do not apply. Nonetheless, these individuals may benefit from reemployment services and should be made aware of them so they can be served early in their spell of unemployment. This objective should not diffuse the goal of WPRS to save UI trust funds, but should serve as an incentive to invest more dollars into reemployment services.

The potential inclusion of ineligible claimants has led some to question whether new models would need to be created to take into account the fact that the additional population may differ significantly from the population of benefit recipients -- in particular, regarding their potential to "exhaust" benefits, e.g., to remain unemployed for about 26 weeks. If such issues were to arise, technical assistance from DOL may be needed and should be provided.

The Policy Workgroup recommends that, as resources for making the conversion to serving all initial claimants likely to need reemployment services become available, States should begin profiling all claimants filing initial claims. Additional Federal resources for reemployment services would be needed for this expansion to occur. The Policy Workgroup makes this recommendation as an approach to accompanying expansion of the WPRS system's reemployment services capacity, since without additional resources, earlier profiling may not result in a greater number of referrals. Rather, it may only yield a change in the mix of the individuals who are referred to reemployment services -- substituting some non-beneficiaries for some beneficiaries, which would negatively impact the WPRS goal of saving UI trust fund dollars.

III. Who and When to Refer

Summary Recommendation III: States should accelerate their profiling and referral process to be certain that those individuals identified as likely to exhaust UI benefits and referred to reemployment services truly receive early intervention assistance, and ensure that the WPRS selection pool is limited to those claimants who are most likely to exhaust UI benefits. Also, States should consider using individualized reporting for claimants with high probabilities of exhausting benefits, especially for conducting Eligibility Reviews. Interstate claimants should participate in the WPRS system, using an approach that the States and DOL should jointly develop. In addition, DOL should provide technical assistance to the States in improving their selection and referral processes and collect and disseminate best practices from the States.

Based upon data from the ETA 9048 Report for Calendar Year 1997, the Workgroup found that, *nationwide, only about one-third of all claimants profiled and subsequently placed in the "selection pool" gets referred to reemployment services.*[36] This is of great consequence because all claimants in the selection pool have been deemed "likely to exhaust their benefits."

These data highlight the need for a reexamination of how one determines which claimants are placed in the selection pool and when reemployment services can be provided to claimants most in need of assistance. The WPRS Evaluation Report to Congress found that about one-third of the States did not have the flexibility to change the number of individuals referred to services based on need. As a result, ". . . areas with relatively low levels of dislocation served claimants with relatively low probabilities of exhaustion, while areas with larger dislocations served only those with the highest probabilities of exhaustion."[37] To address this concern, the WPRS Evaluation Report to Congress recommends that:

> Both states and ETA should provide greater oversight and ongoing monitoring of profiling and referral practices to ensure that they are being carried out so that claimants with the highest probability of exhausting their UI benefits are given priority for services.[38]

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[36] This analysis is based on nationwide data from the ETA 9048 Report for Calendar Year (CY) 1997. This data is presented in Figure 2 of Appendix C of this paper.

[37] Katherine P. Dickinson, Suzanne D. Kreutzer, and Paul T. Decker, *Evaluation of Worker Profiling and Reemployment Services Systems: Report to Congress,* U.S. Department of Labor, Employment and Training Administration, Office of Policy and Research, Washington, D.C., 1997, p. E-3.

[38] *Ibid.*, p. E-9.

An analysis of the early stages of the WPRS implementation by Dr. Terry Johnson of the Battelle Memorial Institute in Seattle prepared for the National WPRS Colloquium drew similar conclusions. Johnson found that States varied dramatically in the percentage of UI claimants referred to reemployment services (from less than 3 percent to more than 75 percent) and in the scope and intensity of reemployment services provided (from orientation alone to orientation, assessment, and additional job search workshops). His analysis of the data indicated that States that use a more highly selective profiling strategy are generally much more likely to provide job search workshops to referred claimants than States that use a less selective profiling strategy.[39]

One way of implementing a "more highly selective profiling strategy" is for States that have not already done so to consider establishing a "threshold probability" -- a probability of exhaustion score below which profiled claimants would *not* be considered likely to exhaust their UI benefits and thus should *not* be referred to reemployment services. This would ensure that the WPRS selection pool is limited to only those claimants who have a relatively high likelihood of exhausting benefits, as established by the State.

Another major issue considered by the Policy Workgroup concerns which claimants are being profiled and referred to services and when to refer claimants to services. UIPL 41-94 states that the UI agency ultimately will profile all claimants -- intrastate, interstate, ex-service members, federal workers, and combined wage claimants. Up until now, interstate claimants have not been profiled; logistical problems resulted in the decision to delay the inclusion of interstate claimants in the population of claimants who are profiled and referred to services. Now that WPRS has been firmly established in all States, the Policy Workgroup makes the following recommendations:

1. Accelerate the profiling process (early intervention).

Early intervention is critical to ensure claimants receive the assistance they need and have a chance to become reemployed well before their claims are exhausted. These individuals need reemployment services when they first become unemployed and it serves no purpose to make them wait five to seven weeks to be scheduled for reemployment services.

In addition, individuals entering JTPA training or education must be enrolled by the end of the 13th week following the layoff as one criterion to qualify for needs-based payments. Such payments may be essential income support for claimants in States that do not provide additional weeks of benefit payments for individuals enrolled in training-programs (e.g., Florida's Training

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[39] Terry R. Johnson, "Reemployment Service Strategies for Dislocated Workers: Lessons Learned from Research," *Worker Profiling and Reemployment Services (WPRS) System: National WPRS Colloquium, June 1996: Selected Papers and Materials*, U.S. Department of Labor, Employment and Training Administration, Washington, D.C., 1996.

Benefit Payments program). In States which do provide additional training benefits, early intervention can substantially reduce retraining costs and speed reemployment. An important outcome of the WPRS individual service planning process is the voluntary referral of dislocated workers to training and education services. Quarterly WPRS data from the ETA 9048 report show that these referrals have been at a steady level, with training referrals remaining between 20 and 25 percent of total individuals reporting to services in each quarter of CY 1997.[40]

One possibility is to profile and refer workers when they first file an initial claim for UI benefits. Another possibility is to initiate a WPRS call-in notice -- telling a claimant to report for services -- at the time the first payment is made; this process can also be automated. Yet another possibility when a State utilizes UI telephone claims is to mail a WPRS notice with a monetary determination. (The telephone process should be designed to capture all required data elements for profiling and for a resume, if appropriate. Placement in a talent bank will give valuable feedback on the individual's ability to become reemployed.) By contrast, in many States today, the process is delayed by having to make a call-in for WPRS services only after generating the notice to make the call at the time of first payment. Obviously, resources will be an important factor in determining a State's ability to implement any of these approaches.

The Policy Workgroup recommends that the States attempt to accelerate the profiling and referral process. We again recognize the cost to States of conversion to this new approach and that providing services may be constrained by the current level of resources devoted to reemployment services.

2. Make the selection process more accurate.

States should consider modifying their selection and referral mechanisms to make the selection process more accurate. One possible option for making the WPRS selection process more accurate that some States are already using is a "threshold probability"-- a probability of exhaustion score below which profiled claimants would *not* be considered likely to exhaust their UI benefits and thus should *not* be referred to reemployment services. The establishment of such a threshold probability would recognize the fact that not all profiled claimants who are assigned a probability score actually need reemployment services, and would establish a mechanism within State WPRS systems to ensure that these claimants are not placed in the selection pool. This would ensure that the WPRS selection pool is limited to only those claimants who have a relatively high likelihood of exhausting UI benefits. At the same time, it needs to be recognized that some individuals with low exhaustion probabilities may need reemployment services and have the option of volunteering for such services. Consideration should also be given to

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[40] This analysis is based on nationwide data from the ETA 9048 Report for Calendar Year (CY) 1997. Data on referral and reporting to training and education services is presented in Figure 2 of Appendix C of this paper.

claimants who are found to have been inaccurately profiled, e.g., due to inaccurate data.

3. Consider claimants with high profiling scores for individualized reporting (especially for the Eligibility Review Program).

It is clear that, based on various State practices, labor market dynamics, resources and other issues, each State must determine the best method to serve its clients. The Policy Workgroup believes, however, that States should consider what kind of referral systems can be used after early intervention through the WPRS system. It may be useful for States to consider providing claimants with high to moderate profiling scores (i.e., those above some threshold that indicates they are likely to exhaust) -- who are not referred to WPRS services -- with individualized services later in their spells of unemployment, for example, through the UI Eligibility Review Program (ERP). Scheduling "second tier" profiled claimants for individualized reporting would assist in identifying individuals who need training or reemployment services and would allow for the monitoring of more individuals' job search efforts. In particular, as States move to telephone call centers for many of their UI functions, the use of in-person reporting should be considered as an option for some services. (It should be noted, however, that this proposal is outside the scope of WPRS, and can be considered at the discretion of the individual States.)

4. Determine how and when to incorporate interstate claimants into the WPRS system.

Eligible dislocated workers, especially those from mass layoffs or plant closures, are eligible for reemployment and retraining services when they need them regardless of where they live. Claimants should be profiled and referred to appropriate services if they need them to return to work regardless of where they reside. The systems serving dislocated workers -- JTPA Title III, Wagner-Peyser Act, Trade and UI programs -- should help the nationwide system. A pilot test of interstate claimant profiling may be the appropriate first step toward subsequent nationwide implementation.

5. Profiling of additional and reopened claims

The worker profiling provisions in the Social Security Act require that all individuals filing *new claims* for benefits must be profiled to determine whether they are likely to exhaust benefits. Because of this provision, the Policy Workgroup recommends that States consider profiling individuals who file new *additional* claims (i.e., claims where there has been intervening employment since the initial claim) or reopened claims (i.e., where there has been no intervening employment) and that these individuals be considered for identification, selection and referral to reemployment services.

IV. What Services/How Many Services

Summary Recommendation IV: States should continually evaluate the reemployment services provided to profiled and referred claimants and seek to continually improve those services by ensuring that these individuals receive assistance in preparing individual reemployment plans that will ensure that they receive additional services tailored to their individual needs. Since receipt of job search assistance services has been shown to be cost-effective for dislocated workers and the provision of more intensive services yields greater customer satisfaction, existing resources should be allocated to provide these services, and additional resources should be provided to enable States to provide more intensive, in-depth services to WPRS participants. States should also consider linking the UI Eligibility Review process with WPRS to provide for follow-up with those profiled and referred claimants who are still unable to return to work, and thus may need further assistance later in their unemployment spell.

As was described under Summary Recommendation II, several State research studies indicate that providing more intensive reemployment services, such as job search assistance, to dislocated workers is an effective and efficient use of resources. Moreover, these studies indicate that job search assistance is most effective when it is provided both intensively and early in workers' spells of unemployment. Yet, early evaluations of WPRS found that, while States were usually successful in providing reemployment services to WPRS claimants early in their unemployment spells, these services were frequently few in number, of short duration, not intensive, and not very comprehensive.

States varied widely in the breadth and depth of the reemployment services that were provided to profiled and referred claimants. According to the WPRS Evaluation Report to Congress, in three-quarters of the States, a "core" set of mandatory services is required to be provided to WPRS participants. These required services included a brief (one hour or less) orientation in virtually all States and, in about half of the States, a group workshop providing reemployment services--typically, four hours or less.[41] The report found that:

> In about one-third of the States, almost no claimants were required to participate in any services beyond these mandatory core services. In contrast, in 45 percent of the States, more than half of WPRS claimants were required to participate in additional services, as specified in their service plan. *These latter States were more in conformance with ETA's 'basic operational concept' of customized services based on each claimant's need.*[42]

Thus, a third of States were providing only minimal reemployment services--five hours or less, on average--to WPRS participants. These minimal services are a major departure from the intensive JSA service strategies tested in New Jersey and other State demonstration projects--

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[41] Dickinson, Kreutzer, and Decker, 1997, pp. E-3 and E-4.

[42] *Ibid.*, p. E-4. Emphasis Added.

which produced the significant impacts described earlier; therefore, they are unlikely to produce the desired impacts on WPRS participants in terms of reduced unemployment and early return to work. In addition to the research results showing that intensive JSA services are cost-effective, the results of a WPRS customer satisfaction survey conducted for the WPRS Evaluation Interim Report clearly show that overall customer satisfaction was higher when individual service plans were created and when claimants received more intensive services.[43]

Terry Johnson's analysis drew some similar conclusions.[44] Johnson found that States varied dramatically in the percentage of claimants referred to reemployment services (from less than 3 percent to more than 75 percent) and in the scope and intensity of reemployment services provided (from orientation alone to orientation, assessment, and additional job search workshops). His analysis of the data indicated that States that use a more highly selective profiling targeting strategy are generally much more likely to provide job search workshops to profiled claimants than States that use a less selective profiling strategy. Some of his prescriptions about suggested practices follow:

- Although there is strong evidence that providing intensive reemployment services early in the unemployment spell is cost-effective, don't package together any single set of services and provide them to everyone. This approach will not be as effective as individually developed service plans.
- Do not target broadly and provide a thin layer of reemployment services over the broad population. It will have a limited impact.
- Instead, target selectively and offer intensive services to the targeted group. Give people the reemployment services they need to return to work.
- If you offer a job search workshop, make sure it is in-depth. Brief workshops will not provide real services to the participants.

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[43] Evelyn K. Hawkins, Katherine P. Dickinson, Suzanne D. Kreutzer, Paul T. Decker, and Walter S. Corson, *Evaluation of Worker Profiling and Reemployment Services Systems: Interim* Report, U.S. Department of Labor, Unemployment Insurance Occasional Paper 96-1, Washington, D.C., 1996. See page A-19 of this report for an in-depth description of these customer satisfaction findings.

[44] Terry R. Johnson, "Reemployment Service Strategies for Dislocated Workers: Lessons Learned from Research," *Worker Profiling and Reemployment Services (WPRS) System: National WPRS Colloquium, June 1996: Selected Papers and Materials*, Washington, D.C., 1996.

For these reasons the Policy Workgroup makes the following recommendations:

1. Ensure that profiled and referred claimants create individual reemployment plans.

Profiled claimants who are referred for reemployment services should be required to complete a comprehensive individual reemployment plan with the assistance of appropriate staff based upon an individual assessment. The results of these assessments should be analyzed by a competent workforce development specialist who can guide the individual to the services, including training, that are determined to be necessary for them to successfully return to the workforce. Individual plans should be focused on providing appropriate guidance to workers to get the specific services they need to speed return to employment. Individual reemployment plans should be automated. They should be available to all service providers and should be updated as appropriate by all service providers. The focus should be on having a reemployment plan specifying the mix of services most likely to lead to positive results on customer outcomes.

2. Provide orientation and assessment for claimants reporting to services.

Assessment should be individualized and comprehensive. Referred claimants have been identified as likely to exhaust their UI benefits prior to return to the workforce. If the profiling methodology is rigorous, this probably means that the worker needs more than job information and referrals. Orientation and assessment are vital in the determination of what further services are necessary to assist the claimant in reentering the labor force. The focus of these activities should be on the results achieved in terms of positive customer outcomes for dislocated workers.

3. Allocate sufficient resources so that more intensive job search assistance can be provided.

WPRS is not a program, but a system--a component of the larger workforce development system--that refers workers found likely to exhaust their UI benefits to reemployment services. The key service offered in WPRS is job search assistance, which can help unemployed workers locate their own new jobs.

Job search assistance is likely to be most effective and efficient when using a design that links partner agencies and when automation is used to improve operational systems. Efficiency can be improved through a One-Stop system which brings together all of the participating partner organizations and resources from all of these partners, including the Wagner-Peyser Act, JTPA and UI organizations. While some of these services can better be provided individualized or in a group setting, the process can benefit from enhanced automation and new system designs may assist in increasing resource efficiency for the WPRS system. Linking the technology of the telephone claims process is one option.

4. Increase resources for assessment and reemployment services.

A critical first step in the provision of reemployment services to claimants is to assess their strengths and occupational skills in relation to the current labor market before starting a job search. Even though many assessment and labor market tools have been automated, frequently individuals need the support and feedback of a peer group setting to fully utilize the information obtained through automated sources.

Similarly, job search techniques are learned most effectively in a group setting which allows for interchange and feedback from members. Providing effective assessment and reemployment services is a staff-intensive effort which can be augmented by automation. It is critical that sufficient permanent funds are dedicated to this function to allow for the hiring of permanent, professional, sensitive, and effective staff to assist claimants.

Funding for reemployment services for WPRS can be improved by integrating this effort into One-Stop center activities -- a process that will be facilitated by the Workforce Investment Act of 1998. Reemployment service providers, working in partnership and combining their resources, can serve profiled and referred claimants efficiently and speed their return to work. By integrating the activities of several related programs, the WPRS partner organizations can work more effectively and more resources can be successfully targeted to these services and yield positive results. Additional resources for this endeavor could be made available from various reemployment service providers. Funding strategies to achieve this objective should be explored.

5. Link the Eligibility Review Program with WPRS.

The UI Eligibility Review Program (ERP) provides an opportunity for the UI program to follow up on the service plan developed after assessment and orientation. This follow-up would occur for those individuals who participated in WPRS but did not return to work by the time an ERP was scheduled. Connecting the ERP process to WPRS would provide a point of follow-up with participants who may need additional assistance later in their unemployment spell. The result would be a more continuous approach to serving dislocated UI claimants, ensuring that any remaining barriers to reemployment are identified and that additional services are provided as appropriate to assist these individuals in returning to work.

V. Program Linkages

Summary Recommendation V: For WPRS proposals and as part of the One-Stop initiative, operational linkages between the Wagner-Peyser Act , JTPA Title III and UI programs should be further strengthened. The organizations responsible for operating these three programs should work closely together in the profiling/referral process, the providing of reemployment services, and in communications and feedback systems.

An issue of great concern to the Policy Workgroup is linkages between employment and

training programs in the operation of State WPRS systems. The WPRS Evaluation Report to Congress found that, "In many States UI, ES, and EDWAA [JTPA Title III] coordinated extensively in WPRS-related activities."[45] Linkages between the UI and Wagner-Peyser Act programs were working relatively well in almost all States, and in 60 percent of the States, EDWAA was "substantially involved" in at least one major WPRS task. However, in the remaining 40 percent of States, the linkages between UI/Wagner-Peyser Act programs and the JTPA Title III program were less well-established.[46]

For this reason, the Policy Workgroup makes the following recommendation:

> Strengthen the operational links between Wagner-Peyser Act, JTPA Title III and UI entities.

Operational linkages between these three programs should be strengthened to better serve their common customer: dislocated workers. In particular, States should make a greater effort to improve linkages with the JTPA Title III (EDWAA) program on WPRS tasks. As stated in the WPRS Evaluation Report to Congress, "Such cooperation not only may increase the menu of services available to WPRS claimants, but will also better align the major source of WPRS funding [for reemployment services] with EDWAA agencies' involvement in and 'ownership' of the WPRS system."[47]

The workforce development system at the local level is responsible for the operation of the WPRS system. It must profile and refer workers, only referring the number of workers that reemployment service providers can serve during any given week, and referring those workers who can benefit from those services. Further, as required by PL. 103-152, the workforce development system must require claimants who are referred to reemployment services to participate in those services or similar services as a condition of eligibility for UI unless the claimant has already completed services or has "justifiable cause" for failure to participate. Reemployment service providers need to provide sufficiently intensive job search assistance services to individuals so that they can improve their search for work. In those cases where job search assistance is not sufficient, there needs to be an established procedure for referring workers to training and educational services.

This whole system needs to be tied together by having a strong communications and feedback system, assuring that workers receive all of the reemployment services they need and

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[45] Dickinson, Kreutzer, and Decker, 1997, p. E-6.

[46] *Ibid.*

[47] *Ibid.*, p. E-10.

providing feedback to the UI program to assure that UI beneficiaries are participating in appropriate services. The forwarding of information on referred claimants' participation in reemployment services from service providers to UI is essential because the Social Security Act requires the UI agency to have methods of administration for obtaining eligibility information promptly from service providers and for promptly determining UI eligibility based on this information. For this reason, the entity providing the reemployment services is to promptly provide the UI agency with any necessary information relating to the claimants' continuing eligibility for UI. This information is also critical to ensure participation in reemployment services and for providing dislocated workers with the appropriate comprehensive service package that they need to return to productive employment. This entire process requires extensive inter-program linkages: interpersonal, telephone and automated.

How well WPRS systems work in a community depends on the policy direction and guidance of local Private Industry Councils or Workforce Development Boards, as well as the statewide policy direction of State Councils and State Employment Security Agencies. At the local, State and national level, there needs to be an effort to build and utilize approaches that assure strong inter-program linkages. DOL should also assist in this effort by distributing information on best practices, based on operational data, on-site monitoring and program evaluations.

Linkages among those agencies participating in WPRS can be enhanced by coordinating and integrating program reporting and program goals. Reporting is being enhanced this year with new JTPA reporting which began in July 1998 to capture the number of participants who are referred through profiling and the number of WPRS referrals who receive reemployment services (called "basic readjustment services" under JTPA Title III) but do not receive training.

At the same time, the data from the new ETA 9049 Report are becoming available this year. The data measure the outcomes of the WPRS system including duration of unemployment, incidence of reemployment and pre- and post-unemployment wages. These new data, together with the current ETA 9048 report that captures WPRS system flows and the Employment Service's data on receipt of reemployment assistance services by UI recipients, will provide us a comprehensive picture of the WPRS profiling, referral and reemployment service components from the perspective of the major participating agencies.

More important, these new data will permit the coordination and integration of the individual participating agency's goals under the Government Performance and Results Act (GPRA). For example, the JTPA performance goals dealing with reemployment and pre-/post-employment wages will be measurable using the ETA 9049 WPRS report. The WPRS system has similar performance goals to JTPA Title III; it tries to achieve and speed reemployment at wages similar to pre-unemployment wages. In addition, the Wagner-Peyser Act program is developing a set of labor exchange measures that will complement the GPRA goals. As a result, workforce development programs can and should be able to better focus on improving

performance as they establish real operational linkages for the purpose of WPRS operations.

VI. Funding

Summary Recommendation VI: Since the provision of intensive and comprehensive reemployment services increases program effectiveness and customer satisfaction, it is crucial that adequate funds are devoted to providing these services through State WPRS systems. Additional resources for reemployment services could be provided through increased appropriations, or through a reallocation of resources among employment and training fund sources.

The key arguments for increased funding for WPRS reemployment services are based on findings that show job search assistance services to be cost-effective and valued by customers who receive these services. Experiments in five States have shown that individuals receiving substantial amounts of job search assistance (JSA) found jobs more quickly, increasing their employment and earnings.[48] Providing this JSA proved cost-effective to the government sector--due both to savings in UI payments and to increased tax receipts due to participants' increased employment.

An impact analysis of the prototype and test States conducted as part of the WPRS Evaluation confirmed these findings for those States that had reliable data. The impact analysis for the WPRS Evaluation Report to Congress indicates that "Estimates based on the early implementation States provide reasonably strong evidence that WPRS, as it was implemented in those States, [statistically] significantly reduced UI benefit receipt."[49] On average, UI payments to profiled and referred claimants were reduced by more than half a week--which translates into a UI savings of about $100 per referred claimant on average. In one of three States--the State with the most intensive set of services (New Jersey)--the evaluation also found that WPRS significantly reduced the proportion of UI benefit entitlement received by participants by about 2 percentage points and the rate of UI benefit exhaustion by more than 4 percent, when compared with the comparison group.[50]

Overall, "WPRS claimants received substantially more services than comparable

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[48] U.S. Department of Labor, Office of the Chief Economist, "What's Working (and what's not): A Summary of Research of the Economic Impacts of Employment and Training Program," Washington, D.C., January 1995, p. 49 (Table 2).

[49] Dickinson, Kreutzer, and Decker, 1997, p. E-8.

[50] *Ibid.*

claimants who were not referred to WPRS."[51] For example, these claimants were more likely to receive assessment services; more likely to receive other types of job search assistance services, with the specific services depending on the State (e.g., job placements and referrals in Delaware, job search workshops in New Jersey); and more likely to enroll in the JTPA Title III program. WPRS also changed the timing of services to dislocated workers so that they typically received services earlier in their unemployment spells.

Despite declining resources provided for Wagner-Peyser Act services over the past two decades, job search assistance services provided to UI claimants have been increasing, especially in the past few years with the enactment of WPRS legislation. ETA 9002 Report data on job search assistance services provided to UI claimants show that *ES-provided Job Search Activities (JSA) for claimants increased 40 percent from PY 1994 to PY 1996*--from 1,740,208 claimants receiving JSA in PY 1994 to 2,306,738 claimants who received JSA in PY 1996. *Much of this increase appeared to be attributable to the reemployment services provided to profiled and referred claimants through WPRS.*[52] It is clear that the provision of JTPA Title III services to UI claimants who are dislocated workers has also increased, but specific national figures will not be available until the revised JTPA reporting system data for Program Year 1998--which will break out claimants referred through worker profiling as a separate subgroup--become available. Despite these substantial increases in the provision of job search assistance services to UI claimants, *nationwide, only a third of those profiled claimants in the WPRS selection pool ever get referred to reemployment services.*[53] Also, while there are modest seasonal fluctuations from one quarter to another, the most significant finding here is the wide variation among States in their ability to match the supply of reemployment services with the need for these services. *While several States are able to refer more than 90 percent of claimants in the selection pool to services, other States are unable to refer even 20 percent of these claimants to services.*[54]

Overall, the Policy Workgroup believes that these data clearly demonstrate that the supply

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[51] *Ibid.*, p. E-9.

[52] U.S. Department of Labor, Employment and Training Administration, U.S. Employment Service, "U.S. Employment Service Annual Report: PY 1996 Program Report Data," U.S. Department of Labor, December 1997, p. C-3.

[53] This analysis is based on nationwide data from the ETA 9048 Report for Calendar Year (CY) 1997. This data is presented in Figure 2 of Appendix C of this paper.

[54] This analysis is based on data for the individual States from the ETA 9048 Report for the 4th Quarter of CY 1997. This State-by-State data is presented in Figure 3 of Appendix C. While there is variation in referral rates within States across quarters (State-by-State 9048 data for other quarters is not presented in this report), the overall finding of wide variations in WPRS referral rates across States holds for all quarters in CY 1997.

of reemployment services is a significant issue that needs to be addressed, and therefore, that additional resources need to be devoted to funding reemployment services provided through State WPRS systems. Given these findings, the Policy Workgroup makes the following specific recommendations regarding funding for WPRS:

1. Adequate funding for reemployment services is needed for WPRS.

Reemployment service providers have increased the availability of reemployment services for WPRS participants, working both separately and together. As noted above, job search assistance services provided to UI claimants by Wagner-Peyser programs have been increasing, especially in the past few years with the enactment of WPRS legislation. It is clear that funding by JTPA Title III has also increased for serving UI claimants who are dislocated workers, but these figures will not be available until the new JTPA reporting system data for Program Year 1998 becomes available. These two programs have also worked together, as in some States JTPA funding has been provided to the Wagner Peyser Act entities to provide reemployment services. However, while resources devoted to reemployment services under WPRS have increased sharply, it is clear that they are still inadequate to serve the needs of all UI claimants identified as dislocated workers.

Adequate funding for reemployment services is necessary for WPRS to achieve its full potential. This funding needs to be provided in the context of the Workforce Investment System that is emerging based upon One-Stop Career Centers that have already been established in most States, and which will now be implemented nationwide under the Workforce Investment Act of 1998. Funding for reemployment services also needs to be adjusted to the changing seasonal and business cycle ebbs and flows of dislocated workers who are separated by their employers. Funding needs to be available such that, as the profiling and referral mechanism identifies declining or increasing numbers of dislocated workers who need reemployment services, the service providers can accommodate their needs. Funding could be improved, in part, by increasing the fungibility of resources at the local, State and Federal level -- thus providing the opportunity to channel more resources into reemployment services for WPRS participants.

2. New resources are needed to ensure adequate funding for WPRS services.

New resources for WPRS services can come from either increased overall funding levels or the reallocation of existing resources. This new funding should be directed to improve the effectiveness of the new One-Stop Centers by providing better services to dislocated workers identified through the WPRS system. This funding could be directed to either the Wagner-Peyser or JTPA Title III entity.

Funding could also be directed from other existing sources. In addition to increasing the flow of funds, existing funds could be redirected to WPRS-identified dislocated workers. Some States have already done so. For example, Connecticut and Georgia use some of the Governor's

40 percent JTPA Title III funds for providing reemployment services to WPRS participants, since these States have determined that UI claimants identified by their profiling models meet the definition of an "eligible dislocated worker." Other States may be able to use this approach.

The enactment of the Workforce Investment Act of 1998 places great emphasis on making a core set of employment-related services available through One-Stop Centers. This offers an important new opportunity to expand funding for job search assistance to serve both UI claimants and other job seekers in need of reemployment services.

VII. Communication, Feedback Systems, and Reporting

Summary Recommendation VII: WPRS data and communications should be improved. States should improve the accuracy and timeliness of their reporting data, improve their WPRS communications and feedback mechanisms, and share data among State partners. DOL should monitor the WPRS outcomes from State reporting data, and disseminate data and program analysis to the employment and training system. DOL should also provide technical assistance to the States in developing their communications, feedback, and reporting mechanisms, and collect and disseminate best practices from the States.

According to the WPRS Evaluation Report to Congress, virtually all States have developed an automated data system to track referred claimants' progress in reemployment services, and about half of the States developed new data systems specifically for WPRS. In many cases, however, the UI data systems and the service providers' or WPRS-specific data systems were not linked electronically. This often resulted in duplicate data entry and the need to resort to paper reports for communicating about the status of WPRS participants. As a result, the report states that "It is clear that further automation of claimant tracking processes, especially automated service plans, could make these processes more efficient."[55]

Since State WPRS systems depend on the coordinated efforts of several different partners, communication and feedback systems are vital to making sure WPRS works effectively and serves its customers well. Partners need to keep good records and work to efficiently exchange the data needed to operate and manage the WPRS system. Also, the Department of Labor needs good reporting and evaluation data, if it is to be able to provide program analysis and best practices information to the workforce development system. For all of these reasons, the Policy Workgroup recommends that the data and communications systems that support WPRS should be improved through the following specific actions:

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[55] Dickinson, Kreutzer, and Decker, 1997, p. E-5.

1. States should report data as accurately and timely as possible and share this data among State partners.

States need to report data accurately and timely, coordinating this reporting among agencies to assure that both the profiling/referral and reemployment services data are correct. These data can be used for State program management purposes and for submission to DOL. This effort requires the provision of data by all State partners in the WPRS system; some type of a data validation process for WPRS reports may also be necessary. All State and local partners should provide micro data to each other for program and reporting purposes while taking all steps required to assure that the data shared is kept confidential.[56]

2. Monitor outcomes of profiling using the ETA 9049 Report and WPRS evaluations.

The DOL should monitor the outcomes of WPRS from the ETA 9049 Report and from periodic evaluations of the WPRS system. Upon completion of the current evaluation of WPRS systems, DOL should fund a new evaluation of the WPRS system in the near future as the first evaluation will have followed the initial development of the program, up to the point of reaching a steady-state of program operations, while a new evaluation would examine the continuing, steady-state operations of WPRS.

3. Automate feedback mechanisms and WPRS operating systems.

States should increase the automation of their communications and feedback mechanisms for WPRS. These mechanisms are useful for the WPRS system, but they also serve a broader purpose. They can knit together the separate programs that are part of a One-Stop center, and offer a way to create a more effective communications system for their workforce development system. Automation can assure that clients are served more rapidly and effectively, and also increase the effectiveness of the WPRS system while reducing operating costs.

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[56] State-by-State data presented in Figures 5 and 7 of Appendix C show that some States are reporting impossible numbers for referred claimants reporting to services and completing services. For example, the data in Figure 7 show that, *for several States, the percentage of UI claimants referred to services who completed placement services is greater than 100 percent.* (These data are from the ETA 9048 Report for the 4th Quarter of CY 1997; however, the other quarters of 9048 data in CY 1997 show similar problems.)

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APPENDIX A.

Background Paper on Worker Profiling and Reemployment Services

What is "Profiling"?

The Worker Profiling and Reemployment Services system is an early intervention approach for providing dislocated workers with reemployment services to help speed their return to productive employment. It consists of two components: a profiling mechanism and a set of reemployment services.

Worker profiling is based on a set of criteria -- a profile -- that can be used to identify those UI claimants who are likely to exhaust their UI benefits and are at-risk of becoming long-term unemployed. Those individuals identified as likely exhaustees through worker profiling will need reemployment services to make the transition to new employment. The profiling model selects those individuals likely to be dislocated workers out of the broad population of all new UI claimants, and refers them to reemployment services early in their unemployment spell. Referred claimants are provided with a set of reemployment services that is customized to their individual needs. Follow-up information on referred claimants is collected from service providers through a feedback loop from the service provider to the UI program[57]. In short, the worker profiling mechanism assures that dislocated workers are identified and referred to reemployment services when they first become unemployed. The service providers teach the job search skills that these workers need to speed their return to productive employment.

Research Findings Leading to WPRS

Prior to the implementation of the WPRS system nationwide, much research was done to determine the value of a two-part approach consisting of an early intervention profiling system combined with the provision of job search assistance services to dislocated workers. A series of demonstration projects was conducted in five States - Minnesota, Nevada, New Jersey, South Carolina, and Washington. These job search services typically included an initial orientation, assessment, career counseling, vocational testing, workshops on job search skills, job clubs, and job referrals and similar services. All were conducted as random assignment experiments in the best scientific tradition (i.e., individuals were randomly placed into either a "treatment group" that received some set of program services or in a "control group" that did not). Although the results varied somewhat, overall, *these studies have shown that the combination of early*

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[57] U.S. Department of Labor, Employment and Training Administration, *The Worker Profiling and Reemployment Services System: Legislation, Implementation Process and Research Findings*, Unemployment Insurance Occasional Paper 94-4, p. 3.

identification of dislocated workers and staff-assisted job search assistance services speeds the transition of these workers into new jobs. Specifically, these studies showed that:

- Job search assistance participants found a new job more quickly and the duration of UI benefits was reduced. Individuals receiving job search assistance found new employment one-half to 4 weeks sooner than similar individuals who did not receive assistance.

- The program was cost-effective for the government. In each State experiment, the savings in UI payments plus the increase in tax receipts due to faster reemployment were more than enough to pay for program costs. Savings to government averaged around $2 for every $1 invested in targeted job search assistance.

- Shorter job searches did not lead to jobs that paid less. In the two experiments where earnings data were available, job search participants not only found a job more quickly, but hourly earnings were similar to those in jobs found by those workers who were not participating in the experiments.[58]

In addition, the experiments clearly showed that requiring that those individuals likely to suffer long-term unemployment to report for early assistance as a condition for receiving UI benefits was an important factor in the success of the job search assistance services. Such a requirement encourages dislocated workers to overcome their natural reluctance to accept the fact that their layoffs are permanent, and gets them to participate in those services that will help them take the necessary steps to move into new employment. This requirement also increases the perceived "cost" of collecting UI benefits among participants, which spurs those individuals who can return to work quickly without assistance to do so.

Thus, it should be clear that overall, these five experiments indicate that a worker profiling and reemployment service system combining early identification of individuals likely to exhaust UI benefits with referral to comprehensive job search assistance services will be effective in helping dislocated workers make a transition to new employment.

Other studies provide additional support for the conclusion early identification plus job search assistance For example, a Congressional Budget Office (CBO) study analyzing dislocated worker policies also found job search assistance to be effective, noting that "There is strong evidence that such [job search] assistance is effective in shortening the time that participants

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[58] U.S. Department of Labor, Office of the Chief Economist, "What's Working (and what's not): A Summary of Research on the Economic Impacts of Employment and Training Programs", January 1995, p. 49.

receive UI benefits."[59] Yet another study, by Dr. Bruce Meyer of Northwestern, reviewed a number of State and Federal experiments testing various combinations of job search assistance services. Meyer's study found that "Nearly all of these combinations reduce UI benefit receipt, and (when available) increase earnings . . . "; the study also found that "The main treatments have benefits to the UI system that exceed costs in all cases."[60] Thus, Meyer recommended that: "...we should consider making job search assistance universal. The exact combination of services we should include is not completely clear, but job search workshops and individual attention by the same personnel seem promising."[61]

More evidence supporting the creation of worker profiling and reemployment service systems can be found from a detailed examination of the New Jersey Unemployment Insurance Reemployment Demonstration Project (NJUIRDP)[62] - the results of which provided the primary foundation for the WPRS initiative. Between July 1986 and June 1987, 8,675 claimants were chosen to test the impact of three packages of services: (1) job search assistance only, (2) job search assistance combined with training or relocation assistance, and (3) job search assistance combined with a cash bonus for early reemployment on their return to work. Eligible claimants were identified and services were provided through the coordinated efforts of the UI, Wagner-Peyser Act, and JTPA Title III programs. Participation in reemployment services by chosen claimants was required by UI as part of the UI work test. Eligibility screens were used to determine who would participate in this experiment. Participation was based upon receiving a first payment, age (25 or older), tenure (three or more years with previous employer), not being on temporary layoffs, and not participating in exclusive union hiring hall arrangements. Ten local offices were statistically chosen as the demonstration sites.

In the New Jersey Demonstration claimants receiving the first service package (job search assistance only), were required to attend an orientation, have assessment/counseling interviews, and participate in job search workshops -- 15-hour workshops provided three hours a day for five days. They were told to maintain periodic contact with the service provider (2, 4, 8, 12, and 16 weeks following the assessment) to discuss their job search activities or to engage in search-

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[59] Congressional Budget Office, *Displaced Workers: Trends in the 1980s and Implications for the Future*, Congressional Budget Office, Washington, D.C., 1993, p. 37.

[60] Bruce Meyer, "Lessons from the U.S. Unemployment Insurance Experiments," *Journal of Economic Literature*, Volume XXXIII (March 1995), p. 128.

[61] *Ibid.*, p. 125.

[62] Walter Corson, Paul T. Decker, Shari Miller Dunstan, and Anne R. Gordon, *The New Jersey Unemployment Insurance Reemployment Demonstration Project: Final Evaluation Report*, U.S. Department of Labor, Employment and Training Administration, Unemployment Insurance Occasional Paper 89-3, Washington, D.C. 1989.

related activities in the office. Claimants receiving the second service package (job search assistance plus training or relocation) were informed that they could be provided with classroom and on-the-job training or relocation assistance in addition to job search assistance. Claimants receiving the third service package (job search assistance and a reemployment bonus) were offered the same job search services as the other groups, but also a monetary bonus for rapid reemployment. Each group tests a different assumption about the employment problems of dislocated workers (whether these individuals had marketable skills but only needed assistance looking for a job, whether their skills needed to be updated, or whether additional incentives were necessary for them to find new employment rapidly).

The results of the experiment are quite clear. The eligibility screens appear to have successfully identified claimants who have difficulty getting reemployed. Also, data analysis indicates that more than three-quarters of all selected claimants did, indeed, receive initial services and follow-up at the prescribed times with the service providers.[63] In addition, most claimants attended orientation during the fifth week of their UI claim and completed their assessments within the next 3 to 4 weeks. Since early intervention is a major goal, this process could be accelerated by making the service eligibility determination during the UI application process instead of waiting until the claimant receives their first payment.

The results indicate that the impact of these interventions was positive. All three treatments reduced the duration of UI benefit receipt by about one-half week over the first year following enrollment in the project and thus reduced the amount of UI benefit payments by between $81 and $170 per individual over the same period. Similarly, weeks collected and UI exhaustion rates also declined for claimants participating in the experiment. Likewise, all three treatments increased employment and earnings in the year following the initial UI claim. These increases were larger during the first 2 quarters after the claim filing date than in the following 2 quarters and were larger for the job-search-assistance-only and job-search-assistance-plus reemployment-bonus groups than for the group that provided job search assistance and training/relocation assistance. Overall, these impacts appear to have arisen primarily because the treatments promoted early reemployment through job search assistance. It is important to emphasize the fact that the early reemployment promoted by the job search assistance did not entail any sacrifice in hourly wages or hours worked.

Another crucial aspect of this experiment concerns the cost effectiveness of the three service packages tested. If the costs exceed the benefits, it would not be wise to recommend implementation nationwide. However, the data indicate that each of the service packages offered net benefits to society as a whole and to claimants when compared to existing services. See

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[63] It is important to note that less than full participation was due, in part, to the low participation rates of non-English speaking claimants who could not complete the assessments. Hence, in the future, referral to English as a Second Language courses would be a good idea.

Table 1 below. Because of Federal budget considerations, it is important to note that *the job search assistance only and the job search assistance plus the reemployment bonus also led to net gains to the government sector as a whole. The government benefited from reduced UI payments due to participants' reduced unemployment spells and from increased tax receipts due to participants' increased employment.*

TABLE 1. New Jersey Demonstration: Benefits and Costs of JSA-Only Service Package
(Dollars Per Claimant)[64]

Benefits and Costs	Claimants	Government	Society
Increased Market Output and Wages/Benefits	736	0	736
Claimants' Tax Payments	-129	129	0
UI Benefit Payments	-200	200	0
UI Administrative Costs	0	1	1
Demonstration Costs (Local and central office labor costs, other)	0	-169	-169
Offsetting Costs of Existing Services	0	14	14
Sum of Benefits and Costs	**407**	**175**	**581**

Although the strength of the initial results of this experiment are significant alone, in conjunction with the 6-year follow-up that was done in New Jersey[65], they are even more telling. This follow-up evaluation found that each component of the treatments (job search assistance, training, and the reemployment bonus) was likely to have contributed to the longer term reduction in UI benefit payments; a total of three-quarters of a week (on average) for all

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[64] *Ibid.*, p. 87 (Table V.1).

[65] Walter Corson and Joshua Haimson, *The New Jersey Unemployment Insurance Reemployment Demonstration Project: Six-Year Follow-up and Summary Report: Revised Edition*, U.S. Department of Labor, Employment and Training Administration, Unemployment Insurance Occasional Paper 96-2, Washington, D.C., 1996.

claimants referred to services over the follow-up period. Moreover, data indicate that the job search assistance only treatment, in general, generated jobs that were more stable than those found by control group members. Thus, early identification plus job search assistance benefited participants by accelerating their return to work, thus increasing their employment and earnings initially, and also by increasing their employment stability over the long-run.

In short, the New Jersey UIRDP demonstrated that profiling efficiently identifies UI claimants with reemployment problems. It also illustrates that mandatory job search assistance--where participation in JSA services is *required as a condition of eligibility for UI benefits*--was successful at promoting the reemployment of participating claimants. Unemployment spells were shortened, UI benefit payments decreased, and earnings increased (at least in the short term). Further, this intervention was most successful for claimants who had marketable skills such as clerical and other white-collar workers. The treatment was less successful for individuals facing hard-core, structural unemployment problems, such as blue-collar workers and workers from durable goods manufacturing industries.

Although the New Jersey Unemployment Insurance Reemployment Demonstration Project was successful, there were some areas that could be improved in the future. Speeding up the provision of services was one important element. Another key area is the strengthening of programmatic linkages among UI, Wagner-Peyser Act, and JTPA Title III programs -- the service providers whose coordinated activities make these service packages successful. Operational linkages between agencies at both the local service delivery area and the central office must be augmented for these treatments to be truly effective[66].

WPRS Legislation

The first Clinton Administration sponsored two pieces of legislation to implement worker profiling in 1993. The first, Public Law (PL.) 103-6, Section 4, "Profiling of New Claimants," enacted on March 4, 1993, called for the Secretary of Labor to establish a worker profiling system that profiles all new claimants for regular unemployment compensation and determines which claimants may be likely to exhaust regular unemployment compensation and may need reemployment assistance services to make a successful transition to new employment. Although State participation was voluntary, States were encouraged to participate in the program. Technical assistance and advice were to be provided by the Secretary of Labor to the States and funding for the development of the program in each State was authorized.

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[66] Walter Corson, Paul T. Decker, Shari Miller Dunstan, and Anne R. Gordon, *The New Jersey Unemployment Insurance Reemployment Demonstration Project: Final Evaluation Report*, U.S. Department of Labor, Employment and Training Administration, Unemployment Insurance Occasional Paper 89-3, Washington, D.C., 1989, p.17.

PL. 103-6 was quickly superseded by Section 4, "Worker Profiling," of PL. 103-152, enacted on November 24, 1993. This law amended the Social Security Act (SSA) by adding a new subsection, 303(j), which requires the State Agency charged with administration of State unemployment compensation law to establish and utilize a system of profiling all new claimants for regular compensation. Section 303 (j) defines the worker profiling system as a system that:

> (A) identifies which claimants are likely to exhaust regular compensation and will need job search assistance services to make a successful transition to new employment;
>
> (B) refers such claimants to reemployment services, such as job search assistance services available under any State or Federal law;
>
> (C) collects follow-up information relating to the services received by such claimants and the employment outcomes of such claimants subsequent to receiving such services and utilizes this information in making identifications pursuant to (A) above; and
>
> (D) meets such other requirements as the Secretary of Labor determines as appropriate.

PL. 103-152 also added Section 303(a) to the Social Security Act. It requires claimants who are referred to reemployment services to participate in those services or similar services as a condition of eligibility for UI unless the claimant has already completed services or has "justifiable cause" for failure to participate. If States fail to disqualify claimants who do not participate, they can face a cessation of UI administrative payments until the Secretary of Labor is satisfied that there is no longer a compliance problem.

In the following year, the Clinton Administration proposed the Reemployment Act of 1994, which was not enacted. Its objective was to foster the creation of a coherent, integrated, reemployment system for the U.S. It would have established a comprehensive system for reemployment services, training, and income support for permanent workers, facilitated the establishment of one-stop career centers, developed an effective national labor market information system, and provided additional flexibility for States in payment of unemployment insurance benefits. Among the UI relevant provisions were: 1) assurance of the continuation of short-time compensation which provides partial UI benefits to individuals whose hours are cut at least 10 percent to prevent permanent layoffs; 2) optional reemployment bonuses that States can integrate into their profiling program; and 3) a permanent extension of the Self-employment Assistance Program (SEA). These activities represented a strong commitment by the Clinton Administration to fostering a flexible UI system that would be capable of addressing the needs of American workers.

DOL Interpretation and Guidance to the States

Subsequent to the passage of the legislation mandating that each State must develop and use a profiling system, the Department of Labor provided guidance to the State Employment Security Agencies concerning UI program requirements resulting from this new mandate. Unemployment Insurance Program Letter (UIPL) 41-94 states that the UI agency will profile all claimants - intrastate, interstate[67], ex-service members, Federal workers, and combined wage claimants - to identify those likely to exhaust regular UI benefits and be in need of reemployment services. These services are necessary to assist identified claimants in their transition to new employment. The word "transition" indicates that an individual will typically be making a transition to a job in an industry or occupation different from their prior employment.

Thus, to begin implementation of a WPRS system, dislocated workers in the population of UI claimants must be identified. Although claimants likely to exhaust UI benefits can be identified prior to receipt of their first payments, the UI program letter recommended referral to services at the first payment point. Because the objective of WPRS is early intervention, States have also been given the option of excluding from the WPRS system claimants whose first payments occur late in their claims series due to appeals, wage investigations, or other causes.

The next step is to determine if an individual is permanently laid off. Claimants who are on recall status are not permanently laid off and are not likely to exhaust their UI benefits. Thus, they are not required to seek reemployment services. Likewise, claimants receiving payments for partial claims are not required to be identified for referral since there has been no separation from employment. One special case is claimants who make exclusive use of a union hiring hall will not need reemployment services since these claimants expect to find work in their current occupation.

Claimants remaining after this first stage of the profiling precess are passed through either a statistical model or a characteristic screening process to determine their potential difficulty in finding employment. (The U.S. Department of Labor recommends the use of statistical models and about 45 States employ such models.) Based upon research findings, DOL has identified several recommended variables for use in this worker profiling process.[68] They are as follows:

- Education: Educational level is closely associated with reemployment difficulty. Generally, claimants with less education are more likely to exhaust UI benefits.

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[67] DOL determined that interstate claimants would not be profiled until the Interstate Benefits system could reexamined and revised to determine include interstate benefits claimants.

[68] Kelleen Worden, "Profiling Dislocated Workers for Early Referral to Reemployment Services", in *The Worker Profiling and Reemployment Services System: Legislation, Implementation Process and Research Findings*, U.S. Department of Labor, Unemployment Insurance Occasional Paper 94-4, Washington, D.C., 1994.

Use of this variable is a State option.

- Job Tenure: This is a measure of a claimant's attachment to a specific employer. Studies show that the longer a worker's specific job attachment, the more difficult it is to find equivalent employment elsewhere. Use of this variable is a State option.

- Industry: A claimant's search for employment is affected by the former industry of employment. Claimants who worked in industries that are declining, relative to others in the State, experience greater difficulty in obtaining new employment than claimants who worked in expanding industries. States must use either this variable or "occupation."

- Occupation: Workers in declining demand occupations experience greater reemployment difficulty than workers in occupations with higher demand. States must use either this variable or "industry."

- Unemployment Rate: Dislocation and reemployment difficulty are closely related to economic conditions, as measured by unemployment rates. In areas with high unemployment, unemployed workers will have greater difficulty becoming reemployed than those workers in areas with low unemployment, even if all other conditions are equal. Use of this variable is a State option.

In short, under the minimum required worker profiling system, States must profile by the time first payment (although they have the option of profiling earlier), and must use as profiling variables: recall status, hiring halls (if they are used in the State), and either industry or occupation to identify claimants for purposes of referral to reemployment services. Using the above optional variables described above will improve the process of identification of claimants under the worker profiling system; it will more precisely target these dislocated workers likely to have difficulty making the transition to new employment and exhaust their UI benefits.

It is important to add that a worker profiling system is not permitted to produce results which discriminate against groups of people and are in violation of any Federal - or State - law. For this reason, the following variables may not be used in the worker profiling: age, race, ethnic group, sex, color, national origin, disability, religion, political affiliation, and citizenship.

As stated above, States can use either a statistical model or characteristic screens to determine, based on the approved variables above, which UI claimants are dislocated workers who are in need of reemployment services. In a statistical model, based upon historical data from previous UI claimants, each variable receives a weight (or "coefficient") that measures the relative importance of the particular variable in determining a claimant's likelihood of exhausting their UI benefits. Each State develops its own statistical model in which the variables have weights reflecting the current State/local economic situation. In fact, States are encouraged to

update the weights in their models periodically to reflect changes in their economy. When all variables are taken into account together, a weighted average is produced. This enables States to rank claimants based on their probability of exhausting UI benefits. Thus, when using a statistical model, States will refer to services claimants with the highest scores, i.e., those who are most at-risk of long-term unemployment. States will generally serve a weekly flow of claimants for whom service providers have available service slots, but the flow may be restricted to those claimants whose probability of exhaustion is above some "threshold," such that they are most likely to be dislocated workers.

In a characteristic screen approach, each variable is used to exclude claimants. Depending on whether the answer is "yes" or "no" to a given question, claimants will be either included or excluded. Since claimants identified through characteristic screening cannot be ranked, States using this system must also randomly select from among the identified claimants for referrals. The Department of Labor encourages the use of statistical models since they are more efficient and precise in identifying claimants who will actually exhaust UI benefits, as well as easier to manage and adapt over time.

To the extent that reemployment services are available, the identified claimants will be immediately referred to either these services or placed in a selection pool from which a referral may later be made. Since early intervention is the goal, the Department of Labor recommends that claimants be removed from the selection pool after four weeks. If a claimant will not be referred to services, it is not necessary to notify them that they have been identified as likely to exhaust UI benefits and have been placed in a selection pool. Claimants who will be referred to services must receive a notification and referral in writing that advises them of the following:

- They have been identified as likely to need reemployment services in order to make a successful transition to new employment.
- When and where to report for the services.
- Bringing all relevant information concerning ongoing or recently completed reemployment services or current training in which they have participated and believe would help them return to work.
- That failure to participate in reemployment services may result in denial of UI benefits.

Similarly, in their UI benefits rights interview, claimants must be informed that a possible consequence of failure to report or to participate in any reemployment services to which they may be referred is ineligibility for UI. All potential claimants must be provided information that will reasonably afford them an opportunity to know, establish, and protect their rights under the UI law of the State.

Since participation in reemployment services to which they are referred is a continuing eligibility requirement for UI benefits, claimants must be held ineligible for any week in which there is a failure to participate in reemployment services which they are required to attend unless they have justifiable cause, have completed such services, or are attending similar services. Thus, States are not required to find a claimant ineligible for UI during weeks that they are not required to participate in reemployment services. Similarly, claimants are not required to be held ineligible if the failure to participate is minimal and does not significantly affect their ability to benefit from the reemployment services. For example, if claimants are a little late for a seminar, this would not be considered a "failure to participate."

As stated above, the only valid exceptions to this eligibility requirement are participation in similar services, completion of such services, and justifiable cause. It is the UI agency's responsibility to perform sufficient fact finding to determine if services are indeed similar and whether such services have already been completed relatively recently. Justifiable cause is determined by the "reasonable person" test. States must determine if the reasons offered by claimants for failure to participate are such that a reasonable person would not have participated. A finding of justifiable cause will last only for the period the justifiable cause is relevant (for example, while you are sick). However, the justifiable cause exception does not supersede State able and available requirements, but rather is an additional eligibility requirement related to participation in reemployment services.

Once a claimant reports to the service provider, services will begin with an orientation session advising claimants of the availability and benefit of reemployment services, and, if appropriate, an individual assessment of each claimant's needs. Based on an individual service plan, the claimant may be referred to reemployment services tailored to the individual's needs.

UIPL 41-94 provides guidance concerning the definition of reemployment services. These services include job search assistance and job placement services such as counseling, testing, and providing occupational and labor market information, assessment, job search workshops, job clubs and referrals to employers, and other similar services. Reemployment services do not include training and educational services -- in any case, participation in these services is not mandatory for UI eligibility purposes. Voluntary referral to training and education, however, has proven to be a steady and important link with more intensive JTPA Title III services, particularly skills training. In addition, for the purposes of Sections 303(a)(10) and 303(j) of the Social Security Act, orientation and assessment activities are both considered reemployment services.

As the individual State WPRS systems became operational, State UI agencies were to establish arrangements with the entities providing reemployment services. When the UI agency is not part of the same overall State agency as the service provider, it is recommended that these arrangements be in a written agreement. In particular, arrangements must be made in two areas: the number of claimants to be referred to the provider and the information the provider must

forward to the UI agency. Claimants should not be required to report to service providers when services are not available. Likewise, service providers should not be required to expend time and resources working with referred claimants when services are not available for them. There must be a balance between the available supply of services and the number of referrals to these services. It is in this way that worker profiling plays an essential resource allocation function, assuring that referrals to services are equal to the current service availability.

The forwarding of information on referred claimants' participation in reemployment services from service providers to UI is essential because the Social Security Act requires the UI agency to have methods of administration that will reasonably ensure that full payment of unemployment compensation is made when it is due. Thus, the UI agency must have methods of administration for obtaining eligibility information promptly from service providers and for promptly determining eligibility based on this information. For this reason, the entity providing the reemployment services is to promptly provide the UI agency with any necessary information relating to the claimants' continuing eligibility for UI. This information is also critical to ensure participation in reemployment services and for providing dislocated workers with the appropriate comprehensive service package that they need to return to productive employment.

Expectations for WPRS

Since the founding of the United States, one of the major duties of government has been to exert an integrating and stabilizing influence on the economy. When President Roosevelt signed the Social Security Act in 1935, he said, "we can never insure one hundred percent of the population against one hundred percent of the hazards and vicissitudes of life, but we have tried to . . . give some measure of protection to the average citizen . . . against the loss of a job . . ."[69] In his opening remarks for the WPRS National Colloquium in 1996, Secretary of Labor Robert Reich affirmed President Clinton's commitment to the related idea that "rewarding work is a fundamental American value, and that people who work hard and play by the rules should have every opportunity to succeed in the new economy."[70] These beliefs embody the underlying motivation for the creation of the WPRS system. By developing a mechanism to identify dislocated workers who are likely to have difficulty getting employment and referring them to reemployment services, WPRS is an important tool in the realization of the objectives of economic security and opportunities for success in the economy.

The WPRS system has some clearly defined expectations focusing on a quick and effective response to the plight of dislocated workers. They include:

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[69] U.S. Department of Labor, Employment and Training Administration, *Worker Profiling and Reemployment Services (WPRS) National Colloquium, June 1996: Selected Papers and Materials*, Washington, D.C.,1996, p. 12.

[70] *Ibid.*, p. 8.

- identifying claimants who are likely to exhaust their benefits and need reemployment services early in their unemployment spell.

- linking these claimants with reemployment services customized to meet their individual needs.

- providing quality reemployment services delivered in a customer-friendly manner.

- getting results for the customer/getting dislocated claimants reemployed faster and into better jobs than they would have obtained without assistance.

- using the latest technology to aid job-seekers.

The fulfillment of these expectations would definitely have a positive impact on American workers. One of the main objectives of the next section of this paper is to determine how successful WPRS has been realizing these expectations in its first few years of implementation.

Development and Implementation of Worker Profiling and Reemployment Services

Once there was a legislative determination to create the WPRS system, DOL needed to provide guidance to the States about how to implement the new system. Thus, in Field Memorandum (FM) 35-94, procedures and advice for States submitting proposals to implement WPRS were presented. FM 35-94 describes the phased approach to nationwide implementation of the WPRS initiative that DOL planned to use. This approach consists of three phases of implementation: WPRS was developed first in five prototype States, then in "first wave" of nationwide implementation of 20 additional States; and finally in a "second wave" of implementation of all other States.

The prototype States consisted of five States selected from among the States that submitted proposals. States were chosen based on their interest in and ability to establish a quality WPRS system, the speed with which they could implement this system, their willingness to collect data, and their willingness to commit their own resources to provide reemployment services. These States were selected and funded in FY 1994 for implementation by October 1, 1994. The reason for having prototype States was to learn and disseminate information on how to best establish profiling mechanisms in different State operational environments and to gather data for the evaluation of the WPRS system mandated by the Congress. About 20 States comprised the first wave of States which were funded in late FY 1994 for implementation in 1995. The remaining States received funding in FY 1995 for implementation by early 1996.

FM 35-94 explains that the UI system has provided funding support for both the initial implementation and for ongoing administration of the worker profiling effort. Initial

implementation funding covered system development and the collection of the data elements, staff time to design new forms or redesign existing ones, reprogramming costs of UI databases, staff or contractor support to design and implement profiling procedures, and ADP hardware acquisitions. On-going UI administrative funding has been made available to cover costs associated with the basic profiling mechanism (identification, selection, referral, and the UI portion of feedback), provision of continuing eligibility information during the initial profiling and during the provision of reemployment services, and postage/telecommunications costs directly attributable to profiling operations. The UI program provided over $20 million to help States develop their initial profiling mechanisms and associated data systems; the JTPA Title III provided nearly $20 million to help establish the capacity to provide reemployment services in the States.

Concerning reemployment services, a comprehensive statewide strategy including ES and One Stop (when present) is to be coordinated by the Governor; WPRS is intended to complement existing services within the State. FM 35-94 adds that reemployment services to referred UI claimants should be based on a "service plan" developed for each referred UI claimant. Funding for reemployment services for referred UI claimants is provided from the State and sub-State JTPA Title III and Wagner-Peyser Act programs. Other State sources of funding may be used as well.

The Employment Service (ES) provided some specific guidance to the States concerning WPRS. In February 1997, ES distributed Field Memorandum 23-97, which transmitted the 1997 Planning and Review Guidance for Wagner-Peyser Act Basic Labor Exchange Activities. In this transmittal ES outlines its recommendations to the States regarding WPRS. In particular, State labor exchange programs are being asked to consider methods to:

- Improve their technological capacity to meet the feedback requirements of the State UI system and seek improved methods to reduce the job search transition time of dislocated unemployed workers.

- Enhance the quality, scope, and depth of reemployment services provided to profiled and referred UI claimants who are likely to exhaust benefits through continuous improvement of the WPRS system. Indicators such as State's UI average duration and exhaustion rates and their reductions, service plans tailored to the reemployment service needs of customers, and the State's provision of electronic feedback to the UI component can be helpful in identifying success in this area.

ES provided more information and policy recommendations to State Employment Security Agencies (SESAs) about the quality of reemployment services provided to UI claimants in Employment Service Program Letter (ESPL) 1-98. In order to improve the provision of reemployment services, ESPL 1-98 recommends that service providers take the following steps:

- Decide which practices work best and determine when they should be applied.

- Provide job search assistance early in a claimant's unemployment spell.

- Individualize services and customize service plans; use either person-to-person or group methods to provide services tailored to claimants' individual reemployment needs.

- Provide more and better services. Reemployment services offered should be extensive, and participation requirements ought to be tailored to the individual's needs. Among the services that should be provided are workshops that include employer representatives as speakers, job clubs that encourage peer-to-peer job networking, job loss counseling, financial counseling, seminars teaching techniques for using computer-based job search assistance, and continued-claims voice response units to link claimants to America's Job Bank.

- Increase service capacity in order to match local need for reemployment services to local capacity for providing these services. Since increasing the number of front-line staff may not be possible, collaboration with other workforce development service providers and shifting resources from local areas with low demands for services to areas with high demands for services are a few options.

- Automate service plans to facilitate the tracking of referred claimants' participation in reemployment services. This will augment efficiency and effectiveness.

Operational linkages among those agencies participating in WPRS are being enhanced by coordinating and integrating program reporting and program goals. As part of the WPRS system, participating agencies have implemented reporting systems that capture information on the profiling process and the provision of reemployment services. The two basic WPRS reports are the ETA 9048 and ETA 9049 reports. The ETA 9048, Worker Profiling and Reemployment Services Activity report, measures the flow of UI claimants through the profiling process and through reemployment services. It has been available quarterly, beginning with the reporting period of the last quarter of 1995. The ETA 9049, Worker Profiling and Reemployment Services Outcome report, measures performance outcomes of WPRS. Among other things, it measures the duration of unemployment, incidence of reemployment, and pre- and post unemployment wages. The first set of ETA 9049 reports were due in November 1997.

Employment Service and the JTPA program reports capture information about the provision of reemployment services. The Employment Service already collects data from the ETA 9002 on job search assistance services provided to UI claimants on an annual basis. These data show that *ES-provided Job Search Activities (JSA) for claimants increased 40 percent from PY 1994 to PY 1996*--from 1,740,208 claimants receiving JSA in PY 1994 to 2,306,738

claimants who received JSA in PY 1996. *Much of this increase appeared to be attributable to the reemployment services provided to profiled and referred claimants through WPRS.*[71]

Beginning in July 1998, JTPA Title III programs began gathering information on reemployment service provided through the WPRS system. These data capture the number of participants who are referred through profiling and the number of WPRS referrals who receive reemployment services (called "basic readjustment services" under JTPA Title III) but do not receive training. Together, all these data will provide a comprehensive picture of the WPRS profiling, referral and reemployment service components from the perspective of the major participating programs.

More important, these new data will permit better coordination and integration of the individual participating programs' goals under the Government Performance and Results Act. For example, JTPA performance goals dealing with reemployment and pre-/post-employment wages will be measurable using the ETA 9049 WPRS report. The WPRS system has similar performance goals to the JTPA Title III program; it tries to assist workers to become reemployed at wages similar to their pre-unemployment wages. WPRS also provides a foundation for the establishment of the partnerships necessary for creating One Stop Centers under the WIA. As a result, workforce development programs can and should be able to better focus on improving system performance as they establish real operational linkages to work collaboratively on WPRS operations.

Lessons Learned from the WPRS Evaluation

The Employment and Training Administration is in the process of conducting a comprehensive evaluation of the WPRS initiative. This effort provides an evaluation of the operation and effectiveness of State WPRS systems in accordance with PL. 103-152, which mandated a report to Congress and a longer-range assessment of the operation and effectiveness of more mature State WPRS systems. The evaluation is divided into three phases covering a period of four and a half years. Phase I focuses on an implementation and process analysis of the first States to implement WPRS systems based on case study site visits and a customer satisfaction survey. Phases II and III expand the implementation and process analysis of WPRS to the entire nation and examine the effectiveness of the WPRS system. To date, Phases I and II of the evaluation have been completed and published.

In the Phase I evaluation, the five "prototype" States -- Delaware, Florida, Kentucky, New

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[71] U.S. Department of Labor, Employment and Training Administration, U.S. Employment Service, "U.S. Employment Service Annual Report: PY 1996 Program Report Data," U.S. Department of Labor, December 1997, p. C-3.

Jersey, and Oregon -- and Maryland were examined. Site visits to State and local offices were conducted, profiling proposals were reviewed, and a customer satisfaction survey was used. The timing of Phase I precluded the inclusion of any findings of effectiveness; it was too early in the implementation of these systems to expect any meaningful outcome information to be available. Nonetheless, as discussed in the Interim Report, several particularly important lessons emerged from early implementation experiences in these six States [72]:

1) Profiling. In five out of six of the States examined, a two-step profiling model was used. (Delaware used only a set of characteristic screens.) The models began with characteristic screens to eliminate claimants who were not permanently separated or who had access to similar services through a union hiring hall. Most States used the likelihood that a claimant would exhaust UI benefits as the dependent variable. The independent variables were chosen from those currently available in each State. Some States are seeking to add variables, subject to the cost constraints of collecting additional data. The greatest variation was found in how States specified declining industries and occupations. Some developed a general indicator (such as growth rates of different occupations/industries) while others simply included binary variables for specific occupations or industries. The main source of data for profiling for all States was derived from the UI initial claims process.

In short, WPRS systems in the prototype and test States were generally able to conduct profiling soon after initial claims were filed and thus refer selected claimants to services early in their unemployment spell. However, these States were still working to determine how best to identify declining industries and occupations for inclusion in the profiling models.

2) Selection and Referral. Some delays in referral to reemployment services occurred because the service capacity in each local area was predetermined and could not be easily adjusted. Further, because of limitations to a set number of referrals, in some States claimants with the same probability of exhaustion were not equally likely to get services in all areas of the State.

3) Reemployment Services. To a great extent, State and local areas used existing services and service delivery arrangements as models for the design of WPRS services. In virtually all local areas, the Wagner-Peyser Act agency assumed most of the responsibility for the development and provision of reemployment services (unless coordinated linkages with JTPA Title III were already well-established). JTPA Title III was involved in the development of reemployment services in only a few sites. All of the States expected local areas to design and

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[72] Evelyn K. Hawkins, Katherine P. Dickinson, Suzanne D. Kreutzer, Paul T. Decker, and Walter S. Corson, *Evaluation of Worker Profiling and Reemployment Services Systems: Interim* Report, U.S. Department of Labor, Unemployment Insurance Occasional Paper 96-1, Washington, D.C., 1996.

develop the content of local services. It was rare to find fully integrated partnerships in which partners administered and operated their WPRS systems collaboratively. Usually, different agencies provided different services with cross-referrals of participants between them. In addition, WPRS participation requirements varied by States in length of participation and in the content of services.

States were usually successful in providing services to WPRS claimants early in their unemployment spells, but in many cases the services were few in number, of short duration, not intensive, and not very comprehensive. In part, staff were reluctant to add services to WPRS claimants' individual service plans because of their concern that this would make those services mandatory for continuing receipt of UI benefits.

4) Service Plans. Nearly all of the six States evaluated required an individual or group assessment followed by the development of an individual service plan. However, in some sites, service plans for WPRS claimants were not individualized and in others, service plans had become a "pro forma" paperwork requirement.

5) Feedback. All of the six States during Phase I evaluated adapted their automated data management systems to provide feedback data on WPRS claimants. Most States use preexisting data systems, both ES and UI systems, to provide feedback data for WPRS. Claimants' participation in services was usually tracked relative to the service plan developed for each claimant. In most States, the service plan was entered into the computer system and, as a claimant completed a service, a staff member entered the completion date into the computer and determined whether the plan was complete. Three States communicated to UI either verbally or in writing about claimants who were not in compliance with WPRS requirements, while the other three States notified UI offices electronically. Procedures used to track services received through JTPA Title III were generally not well developed. For example, none of the States studied had any electronic linkage with JTPA Title III systems.

States and local offices varied considerably in how strictly they enforced WPRS participation requirements. Some areas permitted a claimant to reschedule a missed service while others denied benefits for some period of time if a service was missed. Generally, when benefits were denied, it was only for one week, but in some cases benefits were not restored until the claimant reported to the missed service. Many States also indicated that the WPRS participation requirement gave them an important tool to determine whether individuals met the UI eligibility requirements of being able and available for work. Often lack of participation in WPRS services provided staff with information that was pursued and led to denial of benefits because of the identification of able and available issues.

6) Partnerships and Program Linkages. In all sites, operational linkages between the UI and Wagner-Peyser Act programs were working relatively well, but in most sites, the linkages between UI or Wagner-Peyser Act programs with the JTPA Title III program were less well

established. Overall, State and local areas found it challenging to resolve differences in missions among potential partners, overcome institutional inertia, gain knowledge and an understanding of each others' systems, and work with non-comparable Federal requirements for the different programs.

The evaluation found that the most common leadership style used in these States was a single agency leadership mode (in contrast to an interagency, a task force, or a combination approach). Further, data indicate that local offices were most pleased with the WPRS system in States that involved the local offices in the development of policies and procedures. In short, the organizational structure of the State and local offices and the existing relationships between the agencies were all important factors influencing the effectiveness of collaboration efforts and the development of inter-program linkages.

7) Customer Satisfaction. During June and July of 1995, questionnaires were sent to a sample of 2,100 profiled and referred claimants who filed for benefits between October 1994 and January 1995 in the prototype and test States. Overall, about 41 percent of the customers reported that they were very or extremely satisfied with WPRS services. Forty-two percent were somewhat satisfied and 17 percent were not satisfied at all. Customers were generally pleased with the way they were treated in the WPRS system, nearly all agreeing that they were treated with respect and that staff seemed to care about them. About two-thirds agreed that the services were right for them, and that they were encouraged to find jobs that were right for them. These customers who felt that the services and jobs were right for them were significantly more satisfied with the program overall, suggesting that more customized services would increase overall satisfaction with WPRS services. Most customers indicate that services were well-coordinated. Older workers generally were more satisfied with services than younger workers. Among specific services, customers rated development of an individual service plan as one of the most helpful reemployment services. Further, those who reported receiving assistance in developing a service plan were significantly more satisfied with the program overall, indicating that developing individual service plans is another way to increase overall satisfaction with WPRS services. Customers who received more types of WPRS services and those who received more hours of services were also substantially more satisfied with WPRS services overall. Thus, intensifying WPRS services may be another important way to increase the levels of customer satisfaction. As a final note, the level of customer satisfaction was not related to either whether the customer was employed at the time of the survey or the extent to which they fully replaced their wages in their new jobs.

In light of these findings in the first phase of the evaluation, some recommendations are suggested in the Interim Report to improve the implementation of State WPRS systems. They include the following:

- Facilitating the ability of States to intervene early in the worker's unemployment spell by ensuring that all agencies involved provide needed data in a timely fashion.

- Encouraging strategies to add flexibility for matching local capacity of service providers to local demand for reemployment services.

- Facilitating the sharing of modeling approaches among States, especially in incorporating measures of declining industries and occupations and specifying the combined effects of the job tenure and previous wage variables.

- Involving local administrators and staff from all agencies in the development of WPRS policies and procedures that affect local program operations. This will augment their commitment to the WPRS system.

- Developing better operational links with JTPA Title III programs to take better advantage of its expertise in providing services to dislocated workers with a wide variety of needs.

- Improving the use of individual service plans by developing customized service plans and providing a wide array of services.

- Developing more comprehensive and intensive services, including a wider array of services and longer-term services appropriate for WPRS claimants.

- Encouraging claimants to find out about appropriate jobs.

- Ensuring that claimants feel that program operators care what happens to them.

- Investing in developing automated feedback mechanisms to improve tracking participation without increasing paperwork and allowing for more case management in providing WPRS services.

- Developing systematic mechanisms to obtain feedback from JTPA Title III about WPRS claimants' participation in training.

- Developing ways to meet staff concern that lengthy service plans increase claimants' risk of sanctions (due to failure to participate in services).

- Encouraging greater uniformity in the application of sanctions, at least within States.

The Phase II evaluation of Worker Profiling and Reemployment Services Systems provides further insights into the early years of implementation, including early impacts from the

prototype and test States.[73] Across States, the percentage of profiled claimants who were not screened out by the initial profiling screens and then were referred to services varied widely, from a low of 1 percent to a high of 100 percent. (Only 18 percent of States referred 30% or more of the profiled claimants who passed through the initial screens). Further, about a third of the States did not have the flexibility to change the number of claimants referred to each office over time based on need. Hence, demand for reemployment services could not be met in many local areas. However, the Phase II evaluation indicates that the goal of early intervention was being met reasonably well for those claimants identified as likely exhaustees who were referred to services. Almost all States profiled claimants within two weeks of their initial claim, notified claimants promptly, and required them to report to services soon after notification.

Three quarters of the States established specific requirements for a core set of mandatory services to be provided to WPRS claimants. Virtually all States required an orientation while only about half required claimants to attend a group workshop providing reemployment services. Most States required claimants to meet with a counselor to assess their interests and abilities, and develop service plans.

Approximately half of the States had automated WPRS claimants' service plans. In addition, about half of the States developed new data systems specifically for WPRS. UI administrators reported that developing a system to track claimants' progress was one of the most difficult WPRS-related tasks.

About one third of the States initiated a process to deny benefits for some period when a claimant missed a scheduled meeting, while the other States gave claimants a warning and a chance to reschedule. When claimants were denied benefits, about half of the States denied benefits for only one week. Failure to report to orientation was the most common reason why WPRS claimants were denied benefits. In addition, approximately 20 percent of WPRS participants were denied benefits due to a violation of able and available requirements unrelated to their participation in WPRS.

In most States, the Wagner-Peyser Act and UI programs shared leadership or divided responsibility for the major WPRS tasks (developing profiling methods, developing reemployment services, developing WPRS data systems). In approximately 60 percent of the States, JTPA Title III was substantially involved in at least one major WPRS task (usually in conjunction with ES). Federal funding for early implementation of WPRS came from UI and JTPA Title III (primarily from the Secretary's National Reserve Funds for dislocated workers).

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[73] Katherine P. Dickinson, Suzanne D. Kreutzer, and Paul T. Decker, *Evaluation of Worker Profiling and Reemployment Services Systems: Report to Congress,* U.S. Department of Labor, Employment and Training Administration, Office of Policy and Research, Washington, D.C., 1997.

Although Wagner-Peyser Act programs were the major provider of WPRS services, it provided only moderate financial support for WPRS activities.

Overall, State UI, ES, and JTPA Title III administrators were very supportive of the WPRS approach. About two-thirds of all administrators felt that WPRS met its goal of reducing the length of UI receipt among profiled and referred claimants.

Overall, "WPRS claimants received substantially more services than comparable claimants who were not referred to WPRS."[74] For example, these claimants were more likely to receive assessment services; more likely to receive other types of job search assistance services, with the specific services depending on the State (e.g., job placements and referrals in Delaware, job search workshops in New Jersey); and more likely to enroll in the JTPA Title III program. WPRS also changed the timing of services to dislocated workers so that they typically received services earlier in their unemployment spells.

States varied widely in the breadth and depth of the reemployment services that were provided to profiled and referred claimants. According to the WPRS Evaluation Report to Congress, in three-quarters of the States, a "core" set of mandatory services is required to be provided to WPRS participants. These required services included a brief (one hour or less) orientation in virtually all States and, in about half of the States, a group workshop providing reemployment services--typically, four hours or less. The report found that:

> "In about one-third of the States, almost no claimants were required to participate in any services beyond the mandatory core services. In contrast, in 45 percent of the States, more than half of WPRS claimants were required to participate in additional services, as specified in their service plan. *These latter States were more in conformance with ETA's "basic operational concept" of customized services based on each claimant's need.*"[75]

Thus, a third of States were providing only minimal reemployment services--five hours or less, on average--to WPRS participants. These minimal services are a major departure from the intensive JSA services tested in the New Jersey Demonstration and other State demonstration projects, and thus are unlikely to produce the desired impacts on WPRS participants in terms of reduced unemployment and early return to work.

An impact analysis for the WPRS Evaluation Report to Congress is based on three of the Prototype States from whom the evaluator was able to obtain reliable impact data--Delaware, Kentucky, and New Jersey. This impact analysis indicates that "Estimates based on the early implementation States provide reasonably strong evidence that WPRS, as it was implemented in

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[74] *Ibid.*, p. E-9.

[75] *Ibid.*, p. E-4. Emphasis Added.

those States, [statistically] significantly reduced UI benefit receipt." On average, UI payments to profiled and referred claimants were reduced by more than half a week--which translates into a UI savings of about $100 per referred claimant on average. In one of three States, New Jersey, the evaluation also found that WPRS also significantly reduced the proportion of UI benefit entitlement received by participants by about 2 percentage points and the rate of UI benefit exhaustion by more than 4 percent, when compared with the comparison group. Importantly, New Jersey was also the State that provided the most intensive set of services to WPRS participants.[76]

More definitive findings on the impacts of WPRS as it is currently operating will be available when the Final Report to DOL for the WPRS Evaluation is published in the middle of 1999. This report will include impact estimates for WPRS on the duration of UI benefit receipt, employment and earnings from a nationally-representative sample of WPRS participants in eight States.

In the meantime, results from the Job Search Assistance (JSA) Demonstration in Florida and the District of Columbia, which operated profiling and job search assistance systems that became models for WPRS, offer some preliminary glimpses of what impacts might be expected from the Final Report to DOL. In brief, the second interim report on the JSA Demonstration indicates that, of the three JSA treatments tested in the two States, five of the six treatments reduced UI receipt among participants by about half a week compared to the control group--virtually identical results to the WPRS Evaluation Report to Congress. Most JSA treatments also reduced UI benefit exhaustion rates by 2-5 percent.[77] Impacts on participants' employment and earnings were mixed: typically impacts were greater for the treatments testing more "structured" packages of JSA services--which significantly increased weeks worked in Florida and weeks worked and earnings in Washington, D.C.; those treatments testing individualized JSA services tended to have greater employment and earnings than controls, but the differences were typically small and insignificant. From these findings, the JSA report attempts to extrapolate its findings to the very similar approach being used under WPRS, and concludes that:

> The demonstration findings suggest that the WPRS approach, which depends on a service plan to set requirements beyond orientation and assessment, is unlikely to generate widespread participation in group services such as testing or job search workshops unless

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[76] *Ibid.*, p. E-8.

[77] Paul T. Decker, Lance Freeman, and Daniel H. Klepinger, *Assisting Unemployment Insurance Claimants: Impacts of the Job Search Assistance Demonstration*, U.S. Department of Labor, Employment and Training Administration, Unemployment Insurance Service, August 1998 (Draft), p. 192.

the State mandates the additional services.[78]

On the basis of the results of the Phase II WPRS Evaluation, the evaluators made the following major recommendations:

- Both States and ETA should provide greater oversight and ongoing monitoring of worker profiling and referral practices to ensure that they are being carried out as intended so that claimants with the highest probability of exhausting their UI benefits are given priority for services. This includes ensuring that capacity to serve claimants matches the demand for services and that local areas select claimants with the highest probability of exhaustion from among those awaiting referral to services.

- ETA should provide more technical assistance to States in developing more intensive, in-depth services that are customized to the needs of individual claimants. Likewise, States should provide more guidance and assistance to local areas about services for WPRS participants.

- ETA should provide further assistance to States to help them develop more automated communication and feedback systems that could make the WPRS tracking process more efficient and more accurate.

- ETA should provide substantial technical assistance to help States establish an outcome reporting system so that States can meet their legislative requirements to establish such systems for WPRS.[79]

- ETA should establish uniform definitions of when claimants are to be considered referred to services, so that the outcome data will be comparable across States.

- Greater efforts should be taken to improve coordination with the JTPA Title III program. Such collaboration not only may increase the breadth and depth of services available to WPRS participants, but will also better align one of the major sources of WPRS funding with JTPA Title III agencies' involvement in and "ownership" of the WPRS system.

Lessons Learned from Other Research

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[78] *Ibid.* p. 195.

[79] The implementation of the ETA 9049 Report in July 1998 fulfills this requirement for outcomes reporting.

Terry Johnson of Battelle Memorial Institute, in his analysis of the early stages of the implementation of WPRS, drew some similar conclusions.[80] He found that States varied dramatically in the percentage of claimants referred to reemployment services (from less than 3 percent to more than 75 percent) and in the scope and intensity of reemployment services provided (from orientation alone to orientation and assessment, plus additional job search workshops). His analysis of the data indicated that States that use a more highly selective profiling targeting strategy are generally much more likely to provide job search workshops to profiled claimants than States that use a less selective profiling strategy. Since several research studies indicate that providing intensive reemployment services is an effective and efficient use of resources, some of his prescriptions about suggested practices follow:

- Although there is strong evidence that providing intensive reemployment services early in the unemployment spell is cost effective, don't package together any single set of services and provide them to everyone. This approach will not be as effective as individually developed service plans.

- Don't target broadly and provide a thin layer of reemployment services over the broad population. It will have a limited impact.

- Instead, target selectively and offer intensive services to the targeted group. Give people the reemployment services they need to return to work.

- If you offer a job search workshop, make sure it is in-depth. Brief workshops will not provide real services to the participants.

Richard West of Social Policy Research Associates, who is a member of the team conducting the WPRS Evaluation, provides some additional insights into one of the most significant challenges the WPRS system faces -- encouraging collaboration between JTPA Title III and other WPRS partners[81]. To date, the WPRS system has primarily used JTPA Title III as a source of training; JTPA Title III has had minimal involvement in providing reemployment services. West recommends that the JTPA Title III program's involvement in WPRS should be strengthened, since its services are designed to assist dislocated workers, and it has experience providing reemployment services, in addition to training, to a wide range of dislocated workers.

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[80] Terry R. Johnson, "Reemployment Service Strategies for Dislocated Workers: Lessons Learned from Research," *Worker Profiling and Reemployment Services (WPRS) System: National WPRS Colloquium, June 1996: Selected Papers and Materials*, U.S. Department of Labor, Employment and Training Administration, Washington, D.C., 1996.

[81] Richard West, "Encouraging Collaboration Between JTPA Title III and Other WPRS Partners", *Worker Profiling and Reemployment Services (WPRS) Systems: National WPRS Colloquium, June 1996: Selected Papers and Materials*, Washington, D.C., 1996.

Further, JTPA Title III reemployment services are often more intensive than comparable services currently offered by WPRS, and States have more flexibility in directing JTPA Title III funds to local areas that need additional resources.

West attributes the underutilization of the JTPA Title III partner to several factors. One factor is that JTPA Title III is a much more decentralized program than UI and ES. ES and UI are both State organizations while local JTPA Title III programs are run by independent agencies (called "substate areas" or SSAs) such as city and county governments or even nonprofit organizations. The implication of JTPA Title III's organizational structure is that developing successful collaboration between WPRS and JTPA Title III must be a local effort; the WPRS partnership must have its foundation at the local level. For this reason, One-Stop Centers, which represent an attempt to foster greater collaboration between employment and training agencies at the service delivery level, may function as a method of bridging the gap in organizational differences.

Another constraint to collaboration rooted in the organizational structure of JTPA Title III concerns the process of obtaining feedback. Because many States have decentralized JTPA Title III data systems, obtaining feedback automatically from JTPA Title III often requires linking several different local data systems with the State level Wagner-Peyser Act and UI program data systems. The need for multiple interfaces in these States highlights the necessity for alternative solutions (such as paper reports, or having JTPA Title III staff enter data into WPRS data systems, e.g., for UI, Wagner-Peyser Act or JTPA programs).

A difference in missions is another barrier to improved JTPA Title III participation in the WPRS system. While Wagner-Peyser Act programs have focused on providing relatively short-term services to a large number of unemployed workers, JTPA Title III has focused on providing in-depth reemployment and training services to a smaller number of dislocated workers who often need to move into new occupations and industries. These related missions, which both fall under the broad rubric of serving unemployed workers, can be made to complement each other more effectively. For example, instead of assigning referred claimants to service providers on an ad-hoc basis, it may be more appropriate to refer claimants needing extensive reemployment services to JTPA Title III and claimants with needing only short-term services to Wagner-Peyser Act programs.

A final mission-related issue concerns the mandatory nature of WPRS. Historically, Wagner-Peyser Act programs have played a role in assuring compliance with work search requirements for UI claimants so this role is familiar to them. In contrast, JTPA Title III is an entirely voluntary program. Effective collaboration with JTPA Title III for WPRS necessitates overcoming both an aversion by JTPA Title III staff to providing feedback on noncompliance by participants and a fear of having to serve participants who may not really want assistance.

Scope, Size, Nature of the Program

The following analysis covers national data for the WPRS system for participation data from ETA 9048 Report, including both national averages and the experiences of the individual States. This analysis provides a broad overview of the nature of the operation of WPRS.

One of the most fundamental issues concerns how successful the States are in profiling all claimants who receive their first payments. Nationwide, since the first quarter of calendar year (CY) 1996, one finds a steady increase over time in the percent of "first pays" (individuals receiving their UI benefit first payments) profiled from 85 percent to about 100 percent in the third quarter of CY 1997 (see Figure 1 in Appendix C). While some States have fairly low percentages of first pays being profiled (in the 50-70 percent range,[82] overall, most States are in the high 90th percentile, which is reasonable[83]. Thus, States have generally been successfully profiling all first pays, as required by the worker profiling law.

Another important relationship is the percentage of claimants in the selection pool (i.e., the group of claimants determined to be likely to exhaust benefits) that get referred to services. This relationship is vital to understanding how well available capacity to provide reemployment services meets the demand for such services generated by WPRS. ETA 9048 Report data from Calendar Year (CY) 1997 data (see Figure 2 in Appendix C) shows that, out of a total of over 2.1 million claimants identified as likely to exhaust benefits and placed in the selection pool, only 758,721 of these claimants were subsequently referred to services. Thus, despite the large increase in the provision of job search assistance services to claimants generated by WPRS (particularly for ES-provided job search services provided), *nationwide, only about a third of those claimants in the selection pool ever get referred to services.* In addition, State-by-State 9048 data from the 4th quarter of CY 1997 (see Figure 3 in Appendix C), demonstrate that *there is a dramatic variation among States in the ability of service providers to match the supply of reemployment services with the demand for these services.* Several States are able to refer essentially all claimants in the selection pool to services while other States are unable to refer even 20 percent of those claimants identified as likely to exhaust their UI benefits to services.[84]

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[82] This could be a reporting problem (maybe a State doesn't count claimants on recall or with union hiring hall agreements in the total number of profiled claimants) or a implementation problem. Further inquiry is necessary.

[83]. There is always some data imprecision in aggregate data with respect to issues of timing. For instance, a claimant may receive first payment at the end of one quarter and get profiled in the beginning of the next quarter. This phenomenon could also account for some of the values even greater than 100 percent.

[84] Some of the States appear to refer more than 100 percent of those claimants in the selection pool to reemployment services. This apparent discrepancy may be due, in part, to the fact that some claimants referred to services in the quarter shown in Figure 3 (4th Quarter 1997) actually were placed in the selection pool in the previous quarter.

Overall, these data clearly demonstrate that the supply of reemployment services is a significant issue that needs to be addressed.

When examining the data indicating the number of claimants reporting to particular types of services, one gets an idea of the nature of services to which States' service providers refer claimants. Nationwide, only 758,721 claimants were referred to services through WPRS in CY 1997, and yet a total of 984,665 claimants were recorded as "reporting for at least one service"--more than all of the claimants referred to services (see Figure 4 in Appendix C). This apparent discrepancy may be a problem of definitions, which could arise from counting a single individual as "reporting to services" multiple times--i.e., each time they report to a particular service, rather than counting the individual only once for each type of service they receive. This would result in inflated numbers of individuals reporting for services, compared with the number of claimants referred to services, such as those seen both here and also in the State-by-State data (for the 4th Quarter of CY 1997) on referred claimants reporting for specific types of services, which is presented in Figure 5 of Appendix C.[85]

Of those claimants reporting to services, nationwide 468,181 claimants--or 62 percent of all claimants referred to services--reported for an orientation to WPRS.[86] Looking at State-by-State data, again for the 4th quarter of 1997, in only about one-third of the States are more than 70 percent of referred claimants reporting for an orientation, although there is much variation between the States (see Figure 5, Appendix C, for State-by-State numbers). Hence, according to the 9048 data, not all profiled individuals referred to services are being required to attend an orientation.

The data pertaining to claimants' reporting for assessment is very similar (again, see Figure 4, Appendix C). Nationwide, in CY 1997, 453,334 referred claimants (about 61 percent of all claimants referred to services) reported for an assessment. In only about 20 percent of States are more than 70 percent of claimants reporting for an assessment. There is a great deal of variation in the provision of assessment between States; in a few States, less than 10 percent of claimants report for an assessment. Thus, according to the data submitted by the States, many profiled individuals referred to services are not being required to have an assessment. This is a real concern, given the fact that assessment is a particularly crucial service -- one that is absolutely necessary to develop an individualized reemployment service strategy.

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[85] A similar problem is also observed in the State-by-State data of referred claimants who completed services, which is presented in Figure 7 of Appendix C. The reader should also keep in mind that, for some portion of referred claimants, ETA 9048 report data on participation in services overlaps across quarters, and so some portion of those individuals referred to services in the previous calendar quarter show up as "reporting to services" in the current quarter.

[86] It is important to keep in mind that there is much variation in how States define orientation and assessment.

Regarding counseling, in CY 1997, 193,050 referred claimants (about 25 percent of referred claimants) report to receive counseling. In some States, less than 1 percent of these claimants report to counseling; in about half of the States less than 10 percent receive this service. In only three States do almost all claimants receive counseling. Thus, to a greater extent than the other types of reemployment services, the 9048 data indicate that States are not generally referring claimants to counseling.

The situation is markedly different concerning job placements and referrals, as Figures 4 and 5 clearly show. Nationwide, 630,904 referred claimants received job placement and referral services in CY 1997-- 84 percent of all WPRS claimants referred to services that year. However, the variation across States is extreme: in a number of States, less than 10 percent of referred claimants reported to job placement and referral services, whereas in several states nearly all referred claimants receive such services. In fact, a half-dozen States show reporting to job placement and referral services at well over 100 percent of referred claimants (This is almost certainly due impart to the receipt of multiple placement and referral services by the same individual.) This extreme variation among States may reflect a difference of opinion concerning the most vital services to provide to profiled and referred claimants. Nevertheless, the national data seems to indicate that, *overall, States are sending profiled and referred claimants to job placements and referral services far more often than to any other type of service.*

Regarding job search workshops and job clubs, nationwide, a total of 336,496 referred claimants -- or 45 percent of all claimants referred to services in CY 1997-- are provided with these services. Again there is wide variation among the States; the percentage of referred claimants who received such workshops ranges from less than 5 percent to approximately 90 percent. *In comparison to many other types of reemployment services offered, the 9048 data indicate that States refer claimants to job search workshops and job clubs less frequently.* This may be due to the fact that these intensive and lengthy services tend to be more expensive to provide; hence, the supply of these services is smaller. Yet, this lower referral rate for job search workshops runs counter to the findings that such workshops have proven to be highly cost-effective services for most dislocated workers.

States also have the option of referring WPRS claimants to services that are beyond the scope of mandatory reemployment services, such as referral to education and training or referral or to self-employment assistance programs (in States that provide a self-employment option for the unemployed). As Figure 4 (Appendix C) shows, in CY 1997, 161,465 claimants -- about 22 percent of claimants referred to services via WPRS -- report for education and training referrals beyond services for which there are mandatory participation requirements. According to State-by-State data, many States referred less than 5 percent of WPRS participants to education and training while 5 States referred more than 40 percent of participants to education and training.

Naturally, there is much less of a range in participation for self-employment assistance (SEA) programs (not shown in the figures in Appendix C). Less than one percent of WPRS

claimants are referred and report to self employment programs. These extremely low reporting rates are due to the fact only seven States were participating in this program in CY 1997 and that these SEA programs are relatively small. Research findings show that participation rates in self-employment programs nationwide average no more than 2-3 percent of the UI population.[87]

When one examines the completion rates for all of these types of services, the data in the ETA 9048 Report tell a very similar but slightly different story than the data on reporting to services (see Figure 6 in Appendix C). Briefly, of the referred claimants who completed services, 453,672 claimants (61 percent) complete job placement and referral services; 456,304 and 453,671 claimants complete orientation and assessment, respectively (which is 61 percent of referred claimants for both services); 303,612 claimants (41 percent) complete job search workshops/or job clubs; 173,911 claimants (23 percent) complete counseling; and 12 percent complete education and training. Not surprisingly, referred claimants complete less intensive services (e.g., orientation and assessment) more often than they complete education and training services (proportionately speaking); however, some services are still in progress, and so these completion rates may be understated, particularly for those services with a substantial time lag (e.g., education and training). These higher completion rates for less intensive services are probably due to the fact that less-intensive services require a lesser time commitment, and thus are easier for participants to complete.

State-by-State data on referred claimants who completed services look similar to the data on referred claimants reporting to services, although of course, the numbers are somewhat lower across the board. (State data on service completion is found in Figure 7 of Appendix C.)

A related topic of great interest is the percentage of referred claimants who are denied benefits for some period due to a failure to participate in mandatory reemployment services. At the inception of WPRS, there was concern in some quarters that worker profiling would add burdensome new eligibility requirements for collection of UI benefits -- the service participation requirement -- and thus would lead to increased benefit denials. However, *as the nationwide data for CY 1997 clearly demonstrate (see Figure 8 in Appendix C), the percentage of referred claimants denied benefits due to a refusal to report to and complete mandatory services is low.* Although there have been fluctuations, the percentage of profiled and referred claimants who are denied benefits is about 3 percent of referred claimants on average, although there is substantial variation among States. In fact, extremely high proportions of benefit denials in a small number of States (not shown in Figure 8) probably artificially inflate the national averages. Regardless, *the low denials rates do <u>not</u> indicate that significant numbers of people are losing benefits because of the service participation requirements of worker profiling.*

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[87]. See also Jacob M. Benus, et. al., *Self-Employment Programs: A New Reemployment Strategy*, UI Occasional Paper 95-4, U.S. Department of Labor, Employment and Training Administration, Washington, DC, 1995.

Also of interest is the rate of appeals among referred claimants who fail to report for services and are denied benefits. Nationwide, about 0.1 to 0.2 percent of these claimants appealed their determinations (see Figure 8 in Appendix C). In most States, 0 percent of these claimants (or close to zero) filed an appeal; the highest rate reported was 11.7 percent. This seems to indicate that referred claimants, on average, do not feel that referral to services via profiling adversely affects their UI benefit determinations; otherwise, appeal rates should be much higher.

APPENDIX B.

Worker Profiling and Reemployment Services Policy WorkgroupMembers

1. David Balducchi
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   U.S. Department of Labor (DOL)

2. Maryann Baykal
   New Jersey Department of Labor

3. Robert Bradner
   Florida Department of Labor and Employment Security

4. Deborah Bronow
   California Employment Development Department

5. Dorothy Comer
   Office of Work Based Learning, ETA, DOL

6. Kitty Fenstermaker
   Region IV, ETA, DOL

7. Jorge Figeroa
   Unemployment Insurance, ETA, DOL

8. Jerry Hildebrand
   Unemployment Insurance, ETA, DOL

9. Douglas Holl
   Office of Work Based Learning, ETA, DOL

10. Eric Johnson
    One-Stop Office, ETA, DOL

11. Suzanne Schwartz
    Unemployment Insurance Service, ETA, DOL

12. Anita Stycznski
    Region II, ETA, DOL

13. Steve Wandner
Office of Policy and Research, ETA, DOL

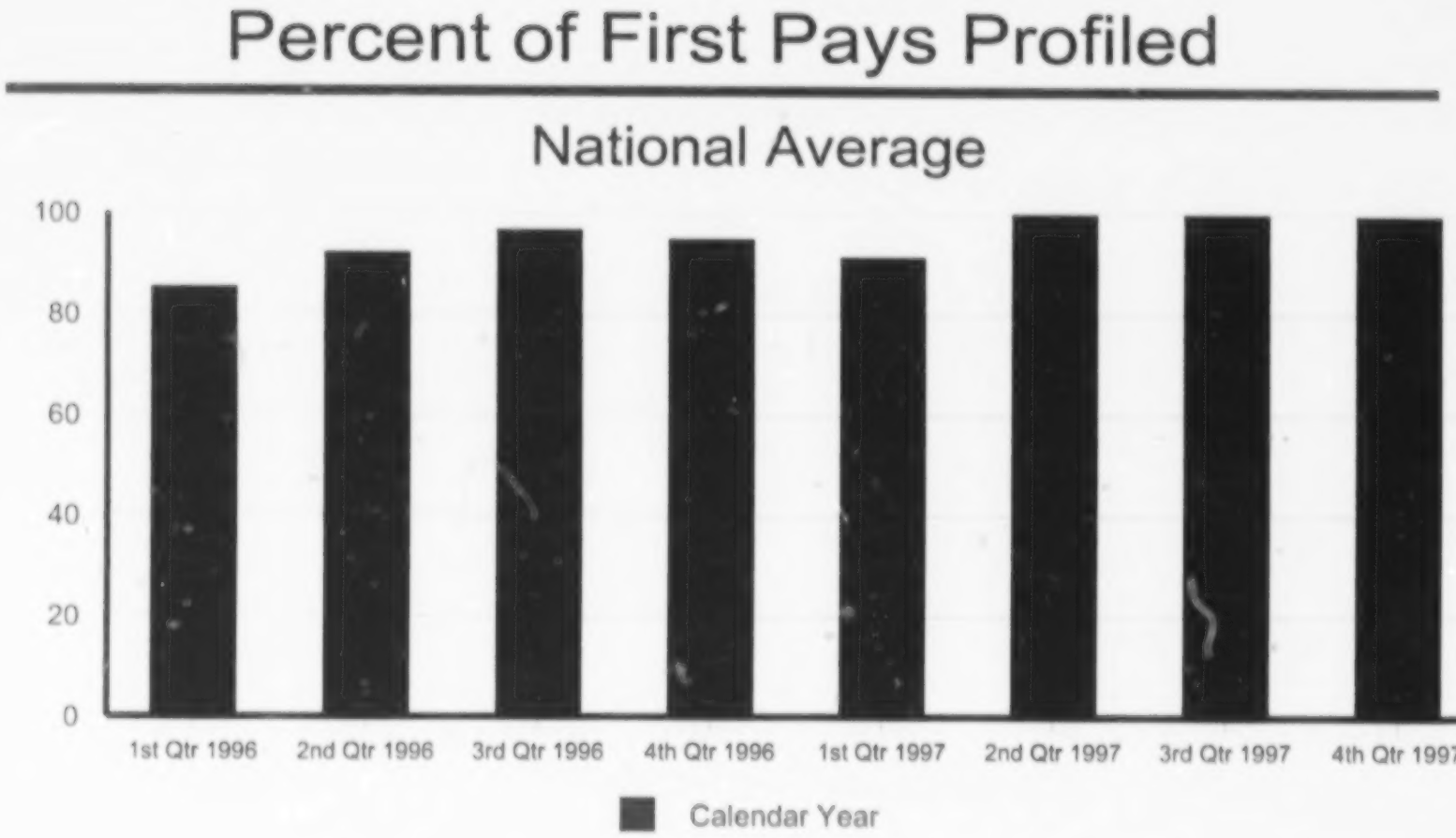
14. Diane Wood
Unemployment Insurance, ETA, DOL

APPENDIX C.

Data Tables and Figures[88]

[88] All data tables and figures in Appendix C are derived from the ETA 9048 Report.

Figure 1.

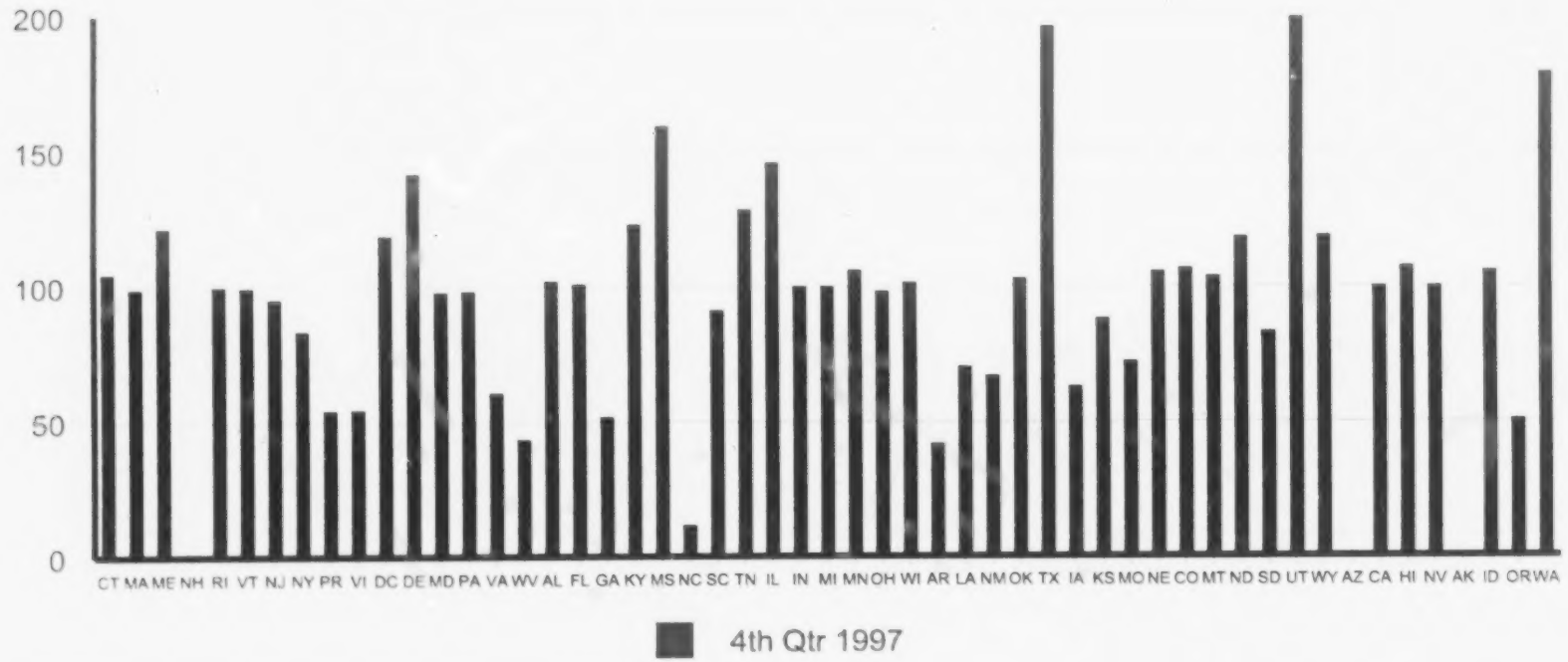


Source: Employment and Training Administration 9048 Report

Figure 2.

Percent of First Pays Profiled

State by State Comparison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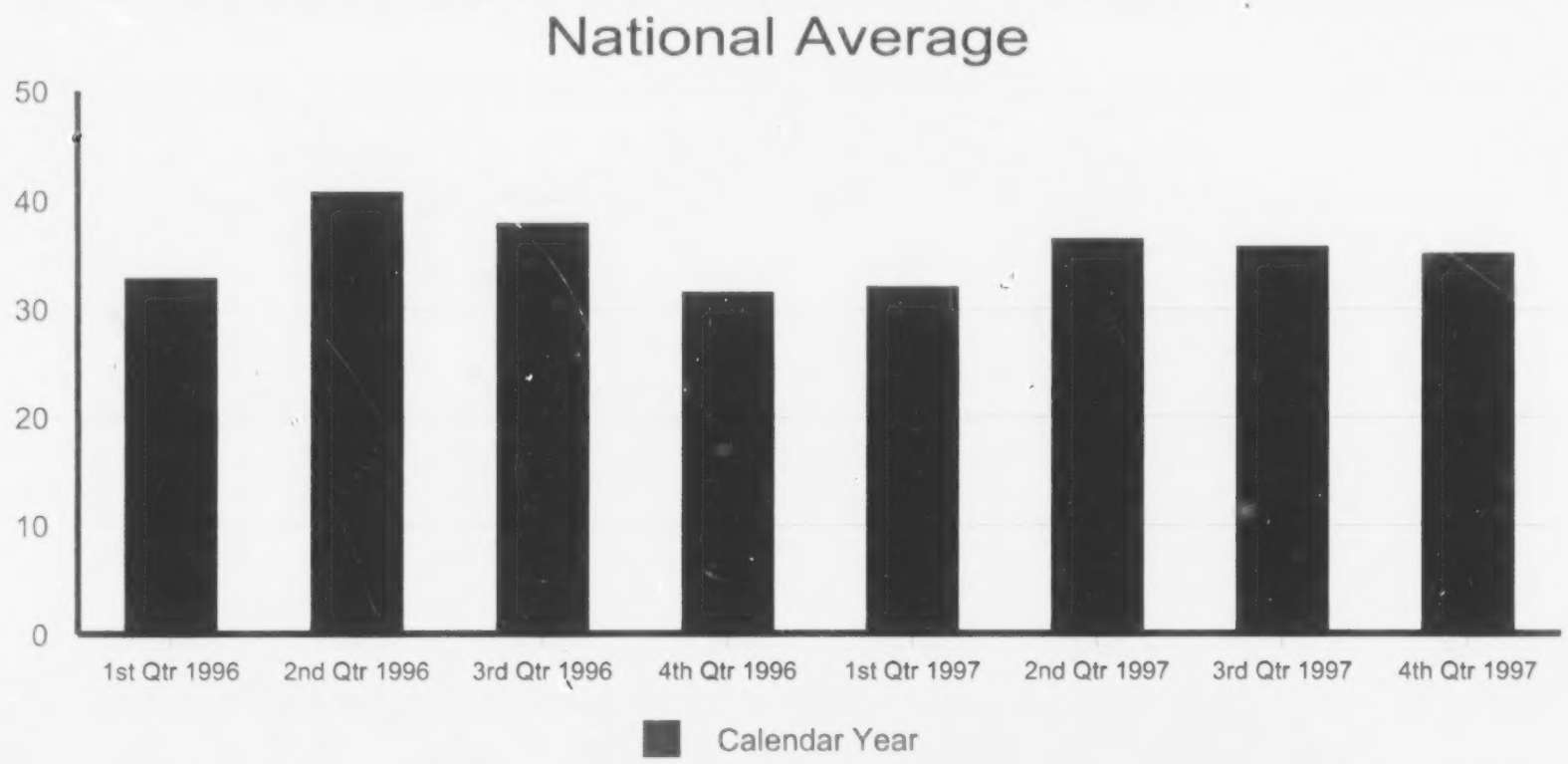
4th Qtr 1997

Source: Employment and Training Administration 9048 Report

Figure 3.

Percent of Claimants Placed in Selection Pool who are Referred to Services

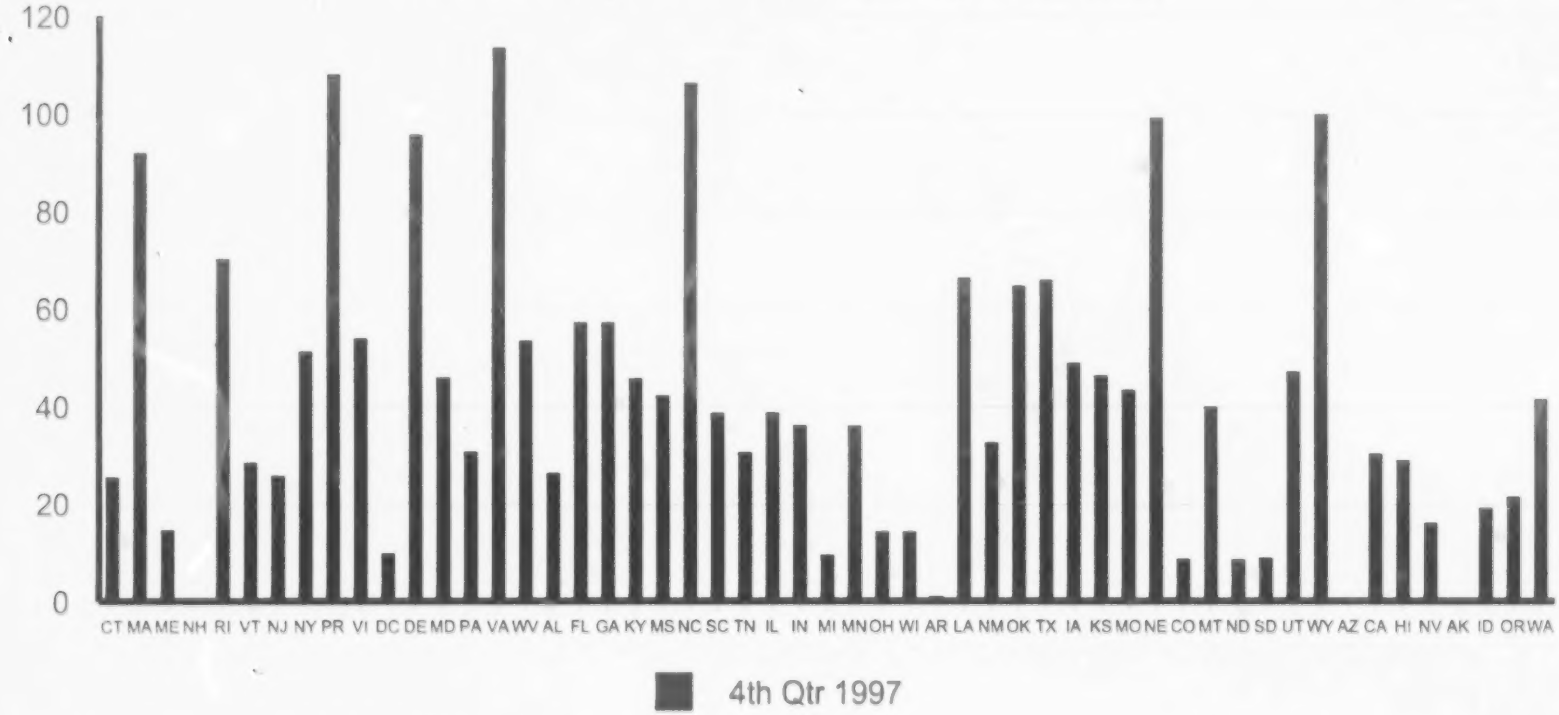


Source: Employment and Training Administration 9048 Report

Figure 4.

Percent of Claimants Placed in Selection Pool who are Referred to Services

State by State Comparison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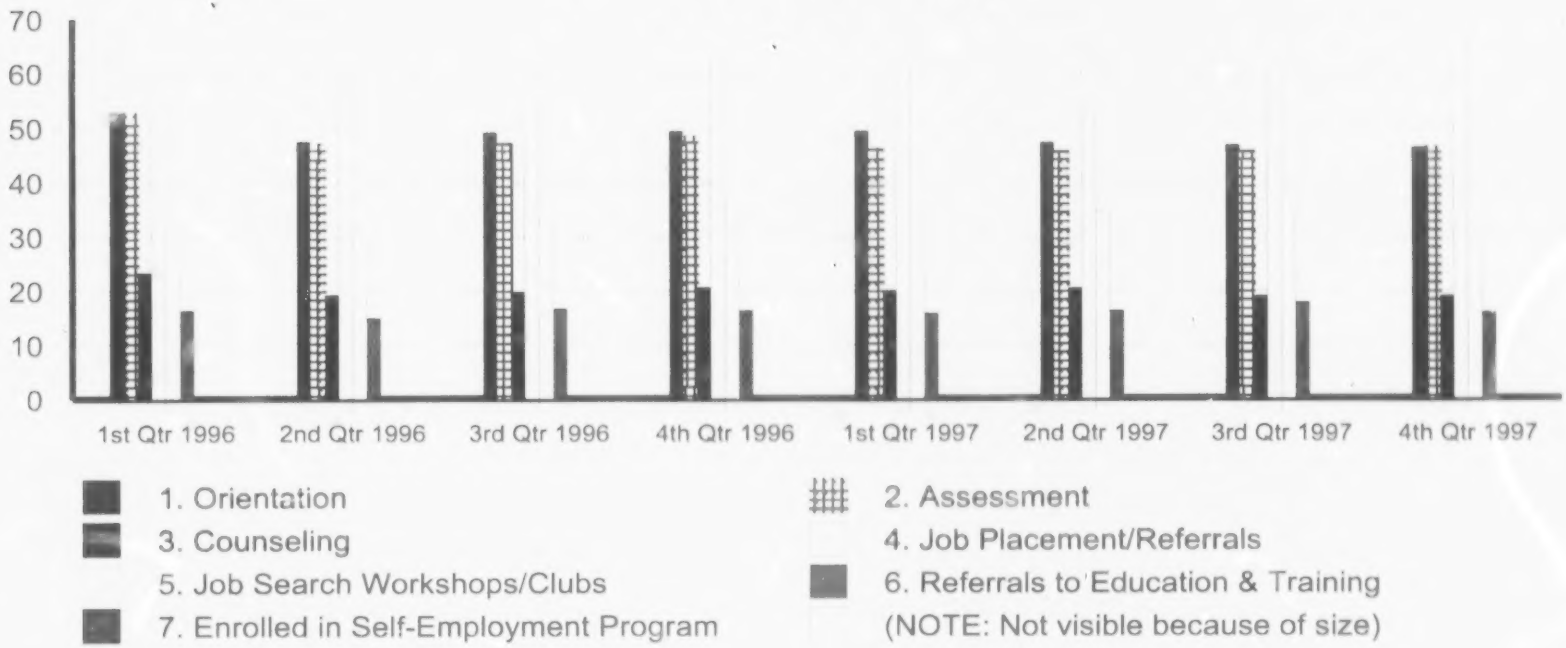
4th Qtr 1997

Source: Employment and Training Administration 9048 Report

Figure 5.

Percent of Claimants Reporting to Services who Report to Various Types of Services

National Average

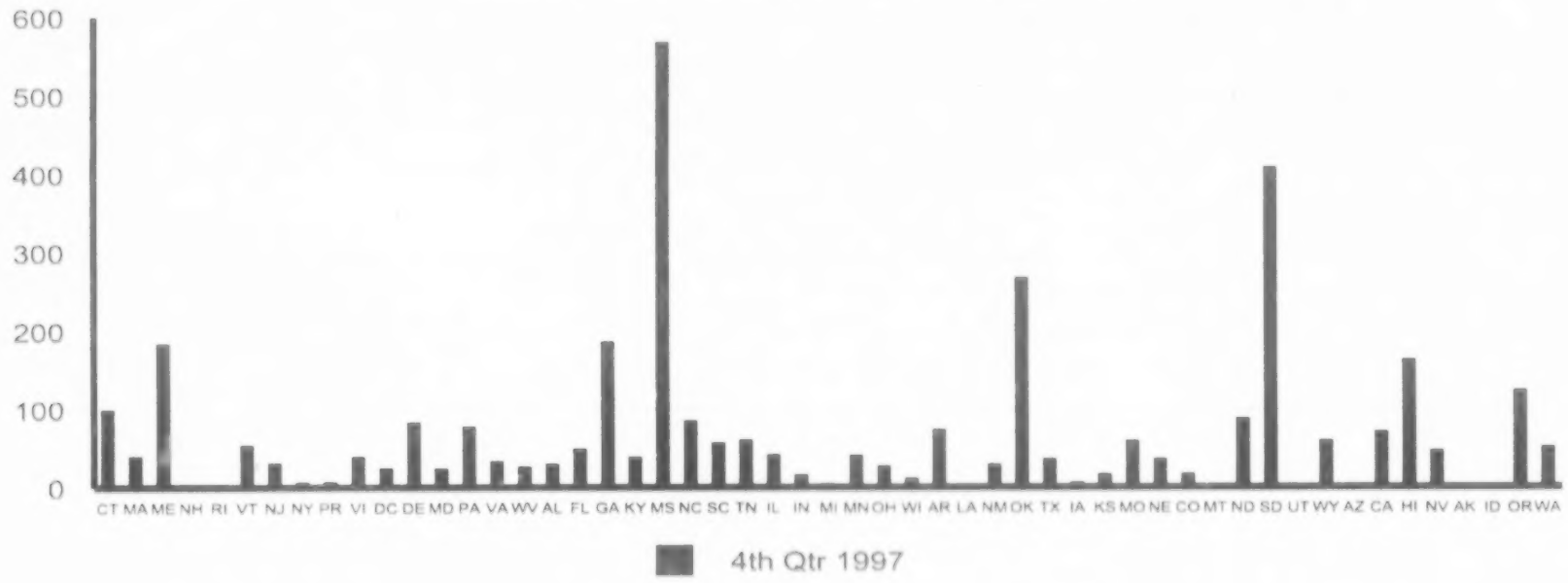


Source: Employment and Training Administration 9048 Report

Figure 6.

Percent of Claimants Reporting to Services who Report to Job Placement & Referral Services

State by State Comparison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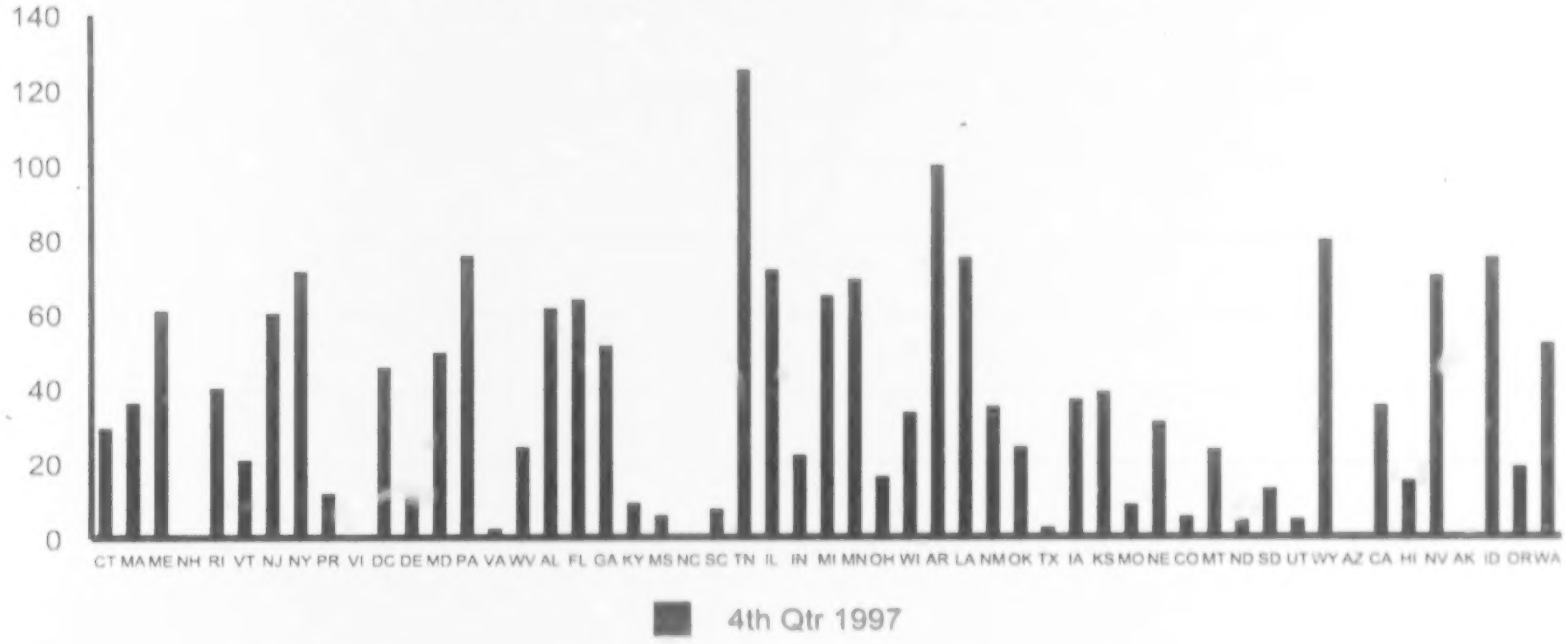
4th Qtr 1997

Source: Employment and Training Administration 9048 Report

Figure 7.

Percent of Claimants Reporting to Services who Report to Job Search Workshops or Job Clubs

State by State Comparison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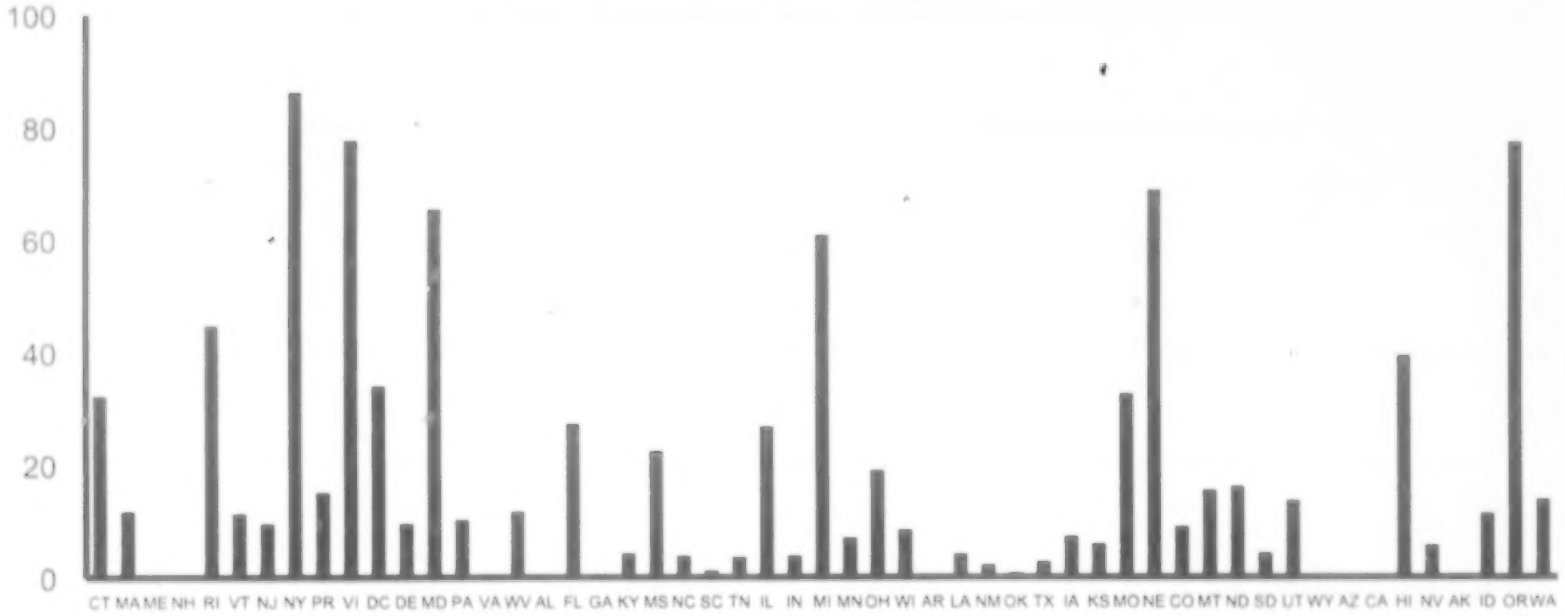
4th Qtr 1997

Source: Employment and Training Administration 9048 Report

Figure 8.

Percent of Claimants Reporting to Services who Report to Counseling

State by State Comparison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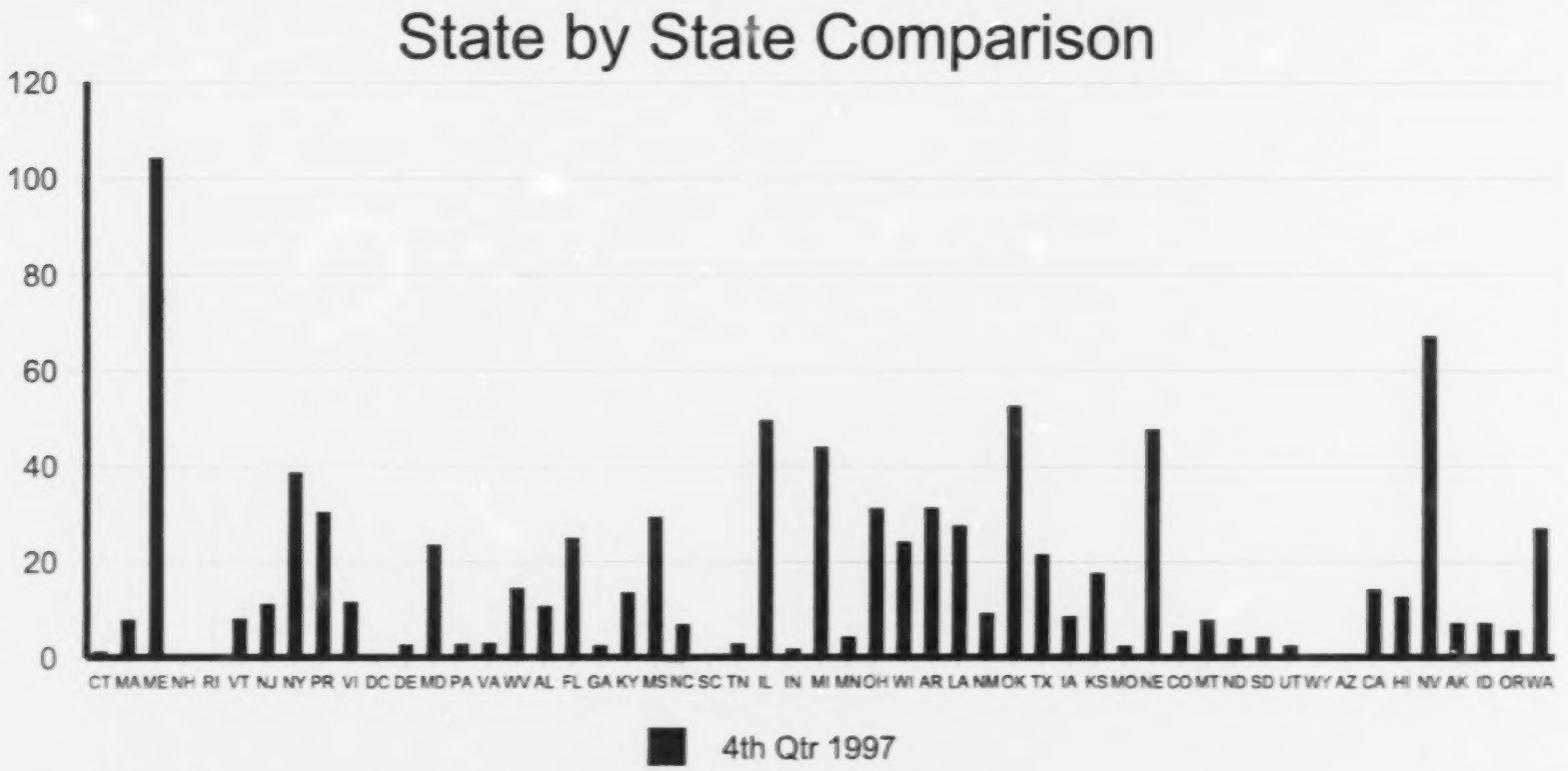
4th Qtr 1997 NOTE: Georgia was excluded because of an extreme reporting problem (154.9%)

Source: Employment and Training Administration 9048 Report

Figure 9.

Percent of Claimants Reporting to Services who Report to Referrals to Education and Training


State by State Comparison
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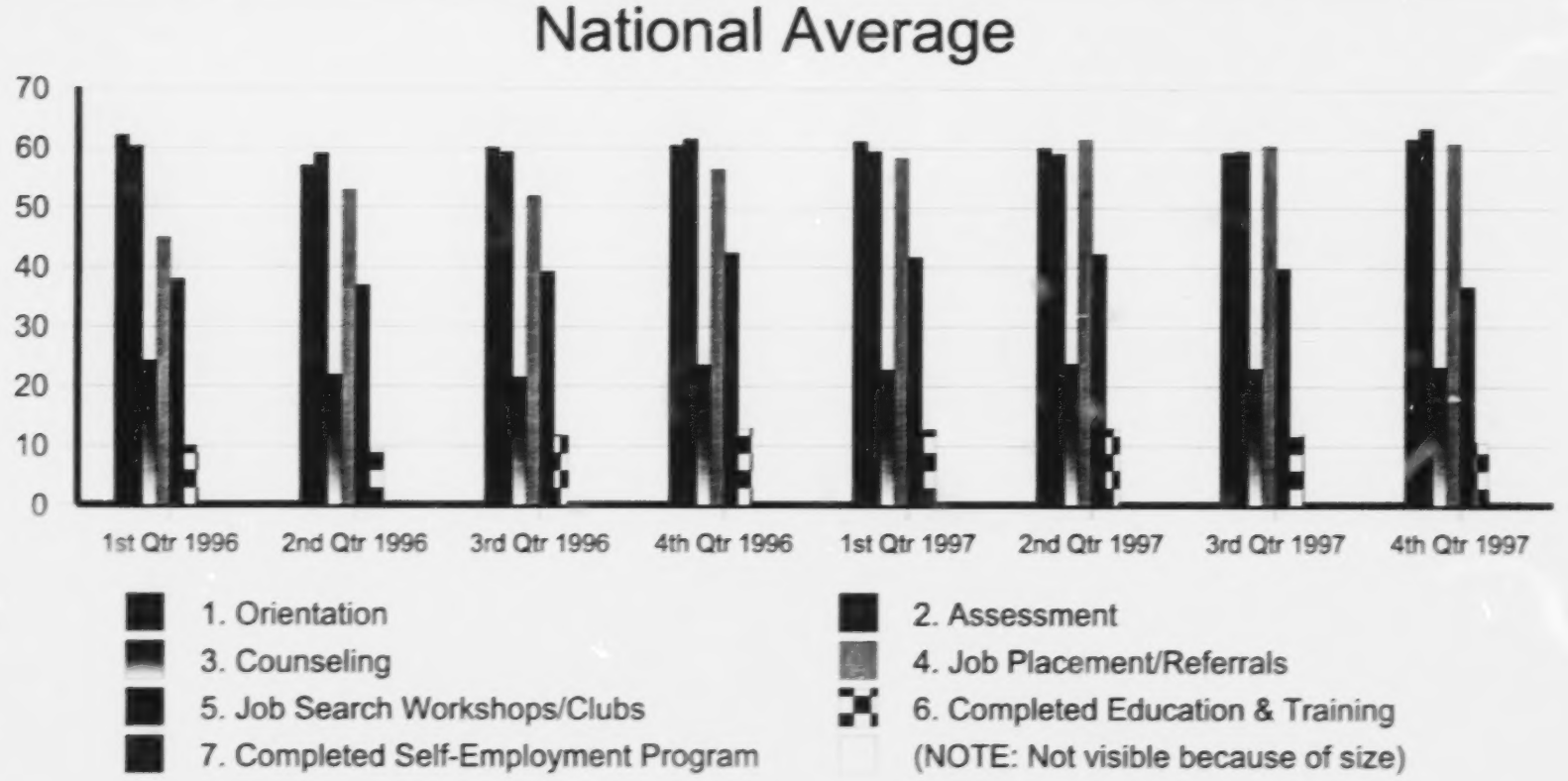
4th Qtr 1997

Source: Employment and Training Administration 9048 Report

Figure 10.

Percent of Claimants Completing Services who Complete Various Types of Services

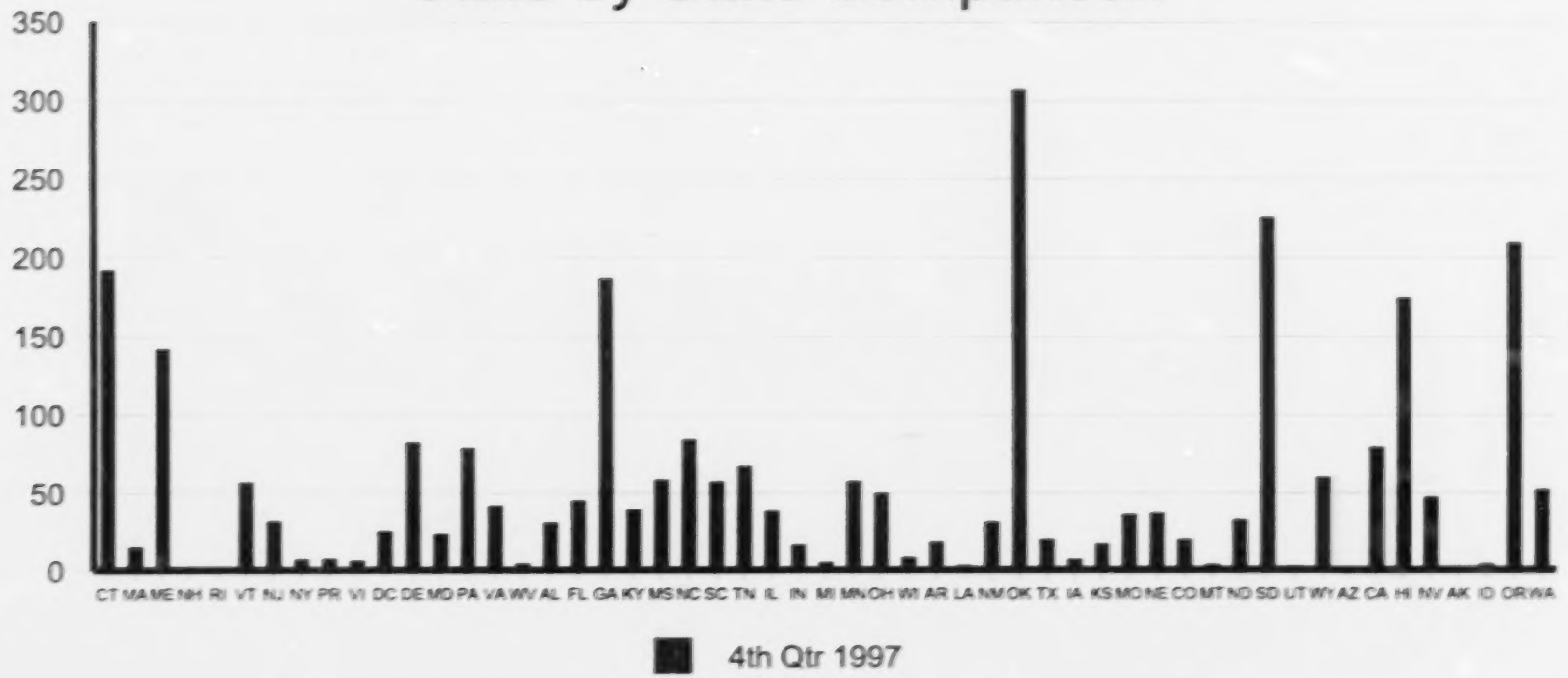


Source: Employment and Training Administration 9048 Report

Figure 11.

Percent of Claimants Completing Services who Complete Job Placement/Referral Services

State by State Comparison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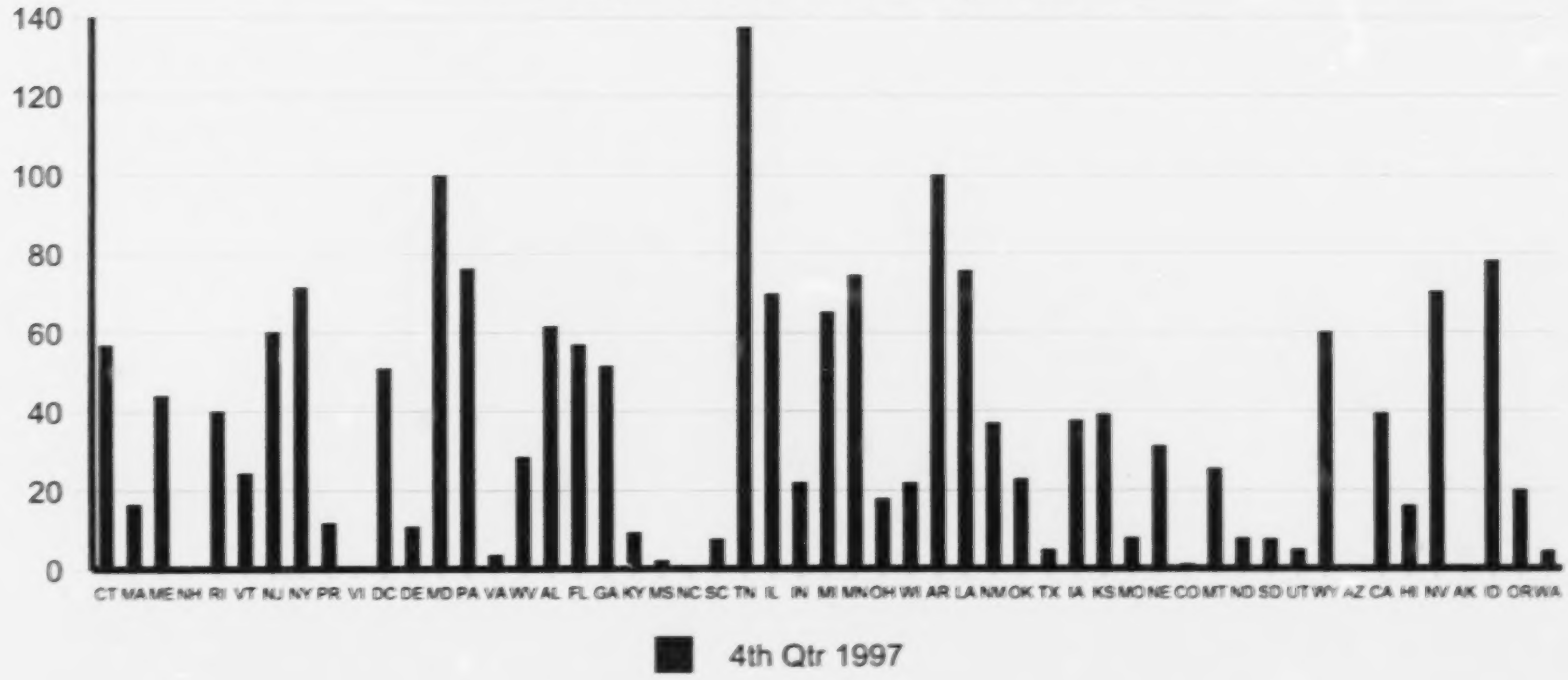
4th Qtr 1997

Source: Employment and Training Administration 9048 Report

Figure 12.

Percent of Claimants Completing Services who Complete Job Search Workshops or Job Clubs

State by State Comparison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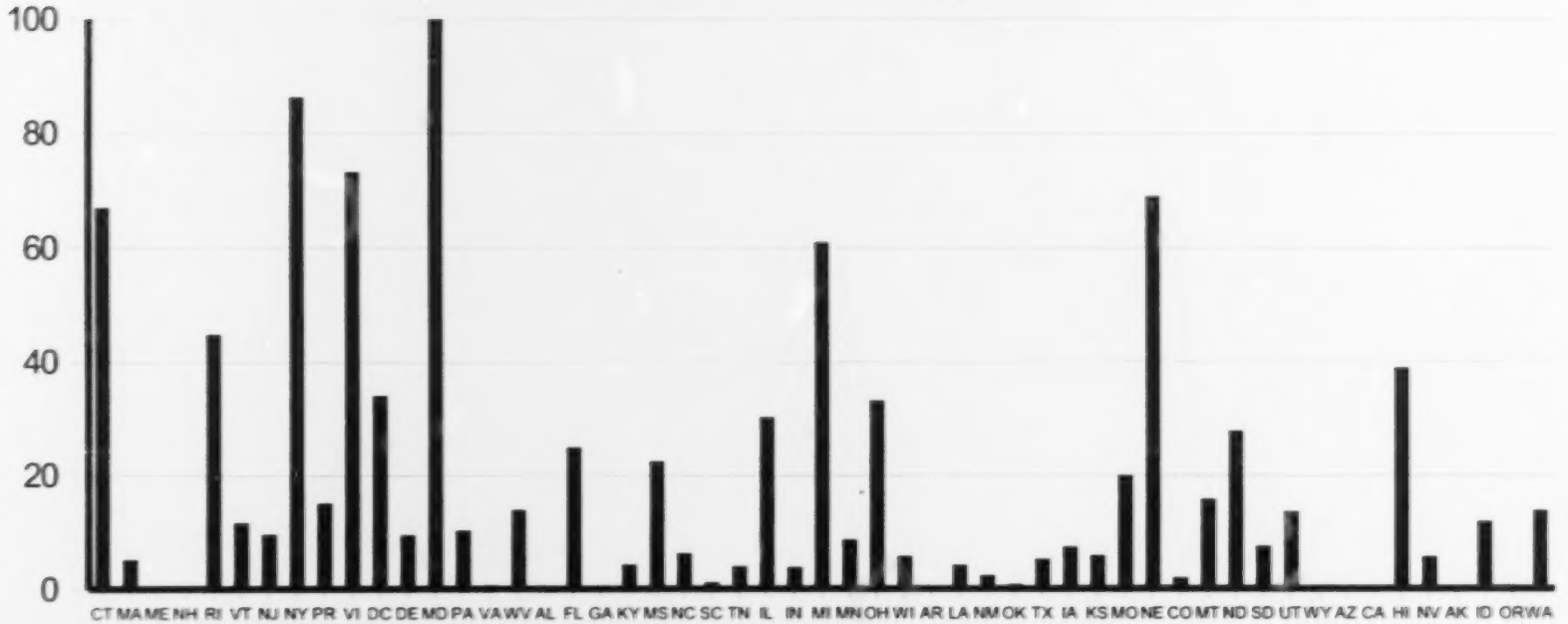
4th Qtr 1997

Source: Employment and Training Administration 9048 Report

Figure 13.

Percent of Claimants Completing Services who Complete Counseling

State by State Comparison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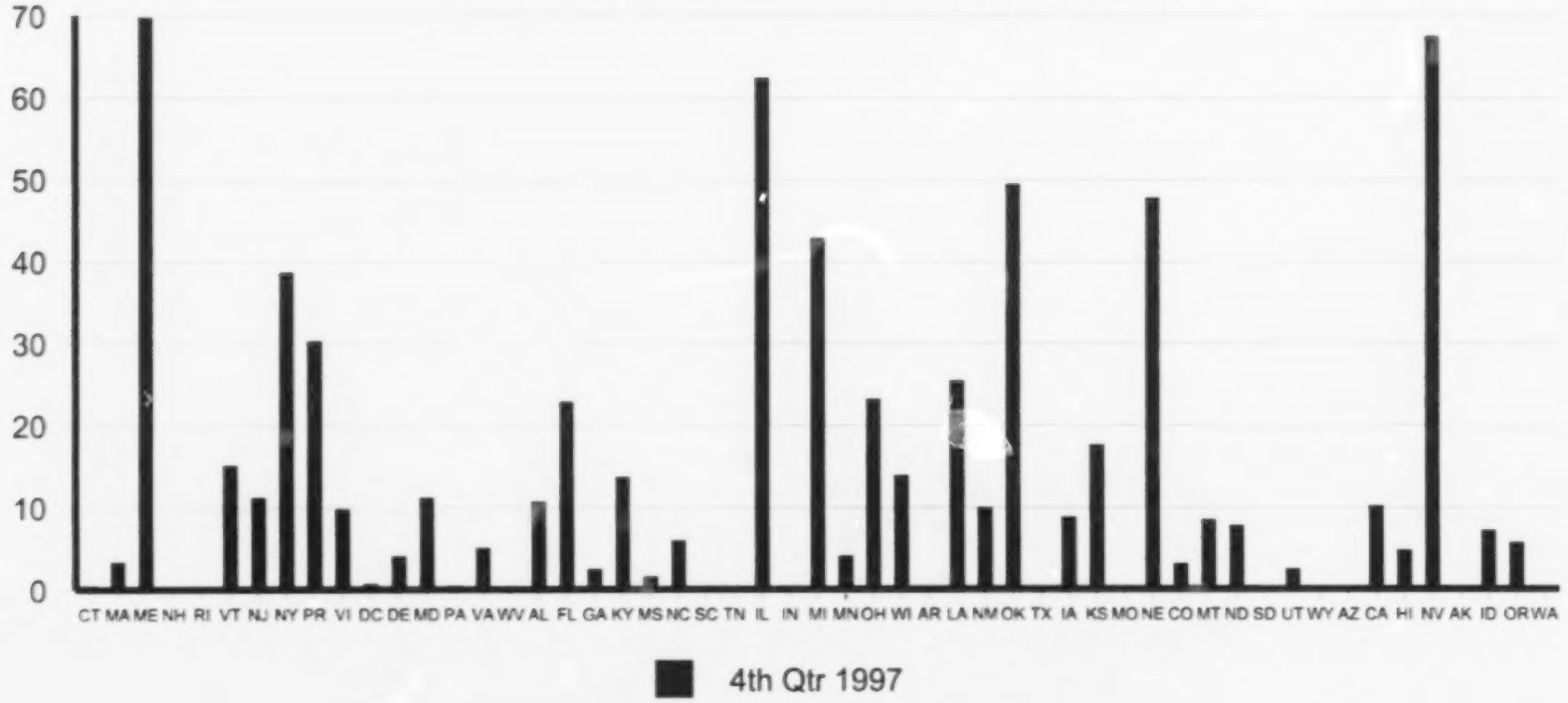
■ 4th Qtr 1997 GA & OR are excluded because of extreme reporting problems (154.9%, 123.3%)

Source: Employment and Training Adimnistration 9048 Report

Figure 14.

Percent of Claimants Completing Services who Complete Education and Training

State by State Comparison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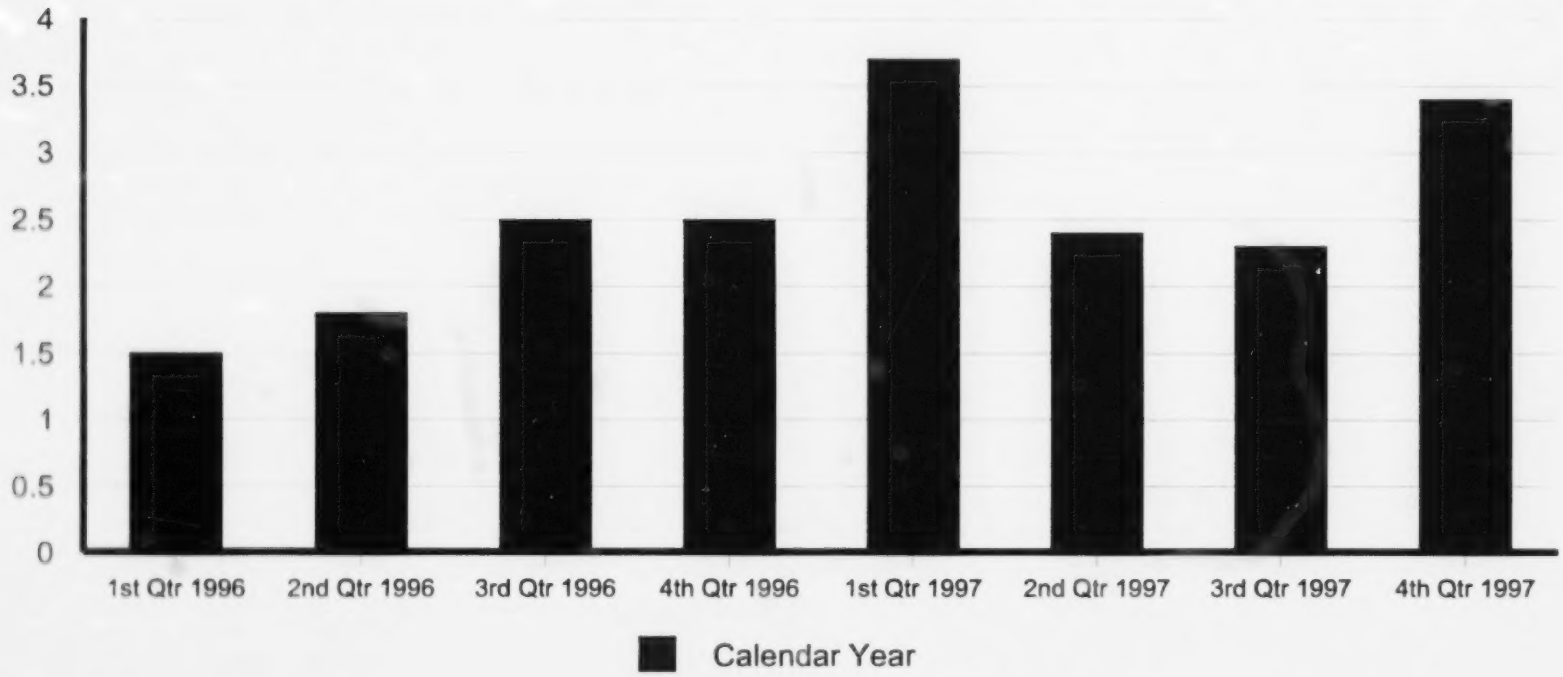
4th Qtr 1997

Source: Employment and Training Administration 9048 Report

Figure 15.

Percent of Referred Claimants who are Denied Benefits

National Average

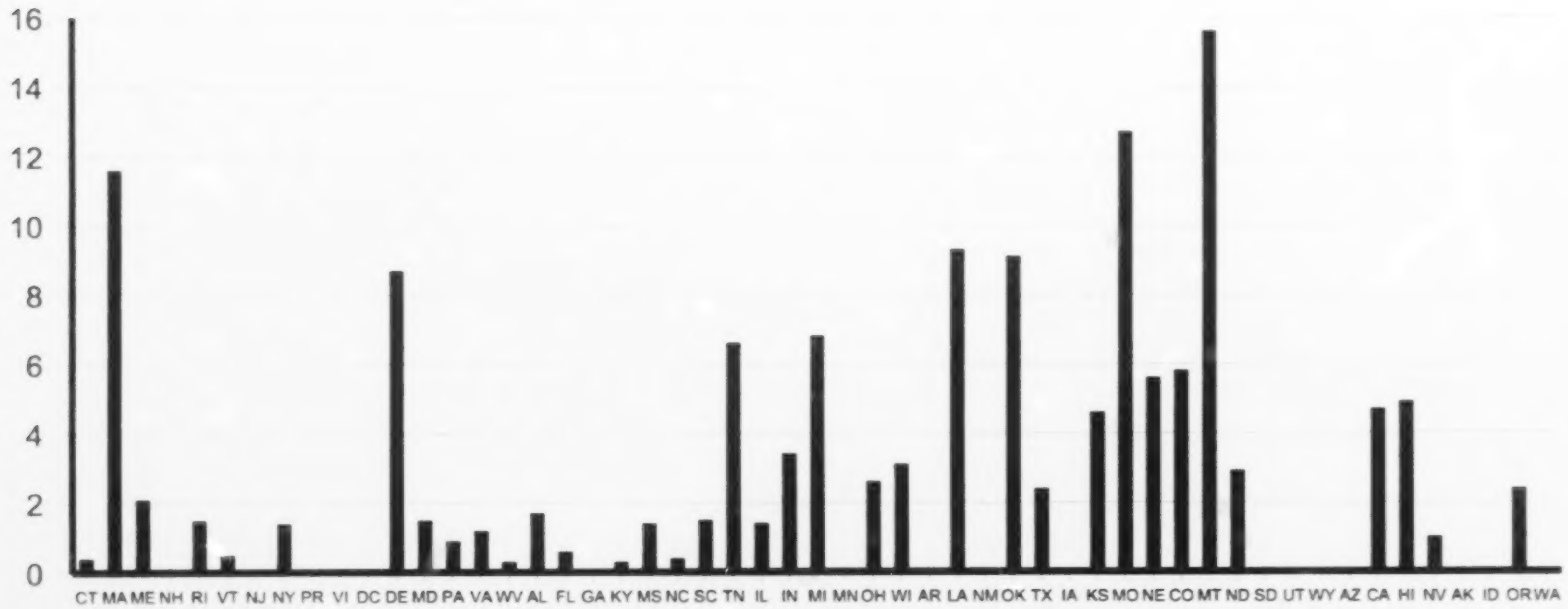


Source: Employment and Training Administration 9048 Report

Figure 16.

Percent of Referred Claimants who are Denied Benefits

State by State Comparison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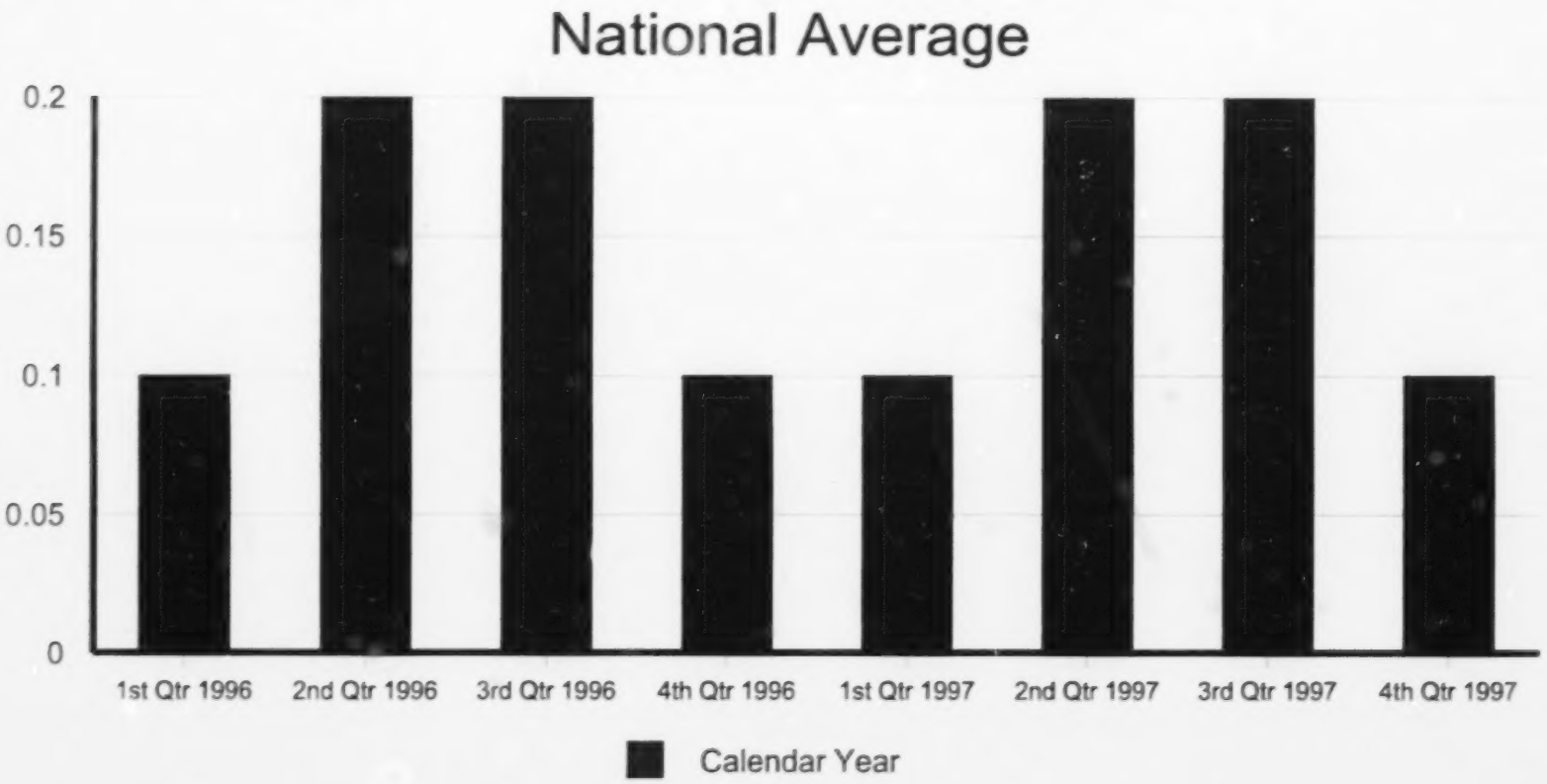
4th Qtr 1997 NOTE: Idaho excluded because of an an extreme reporting problem (473%)

Source: Employment and Training Administration 9048 Report

Figure 17.

Percent of Referred Claimants who Appeal their Determinations

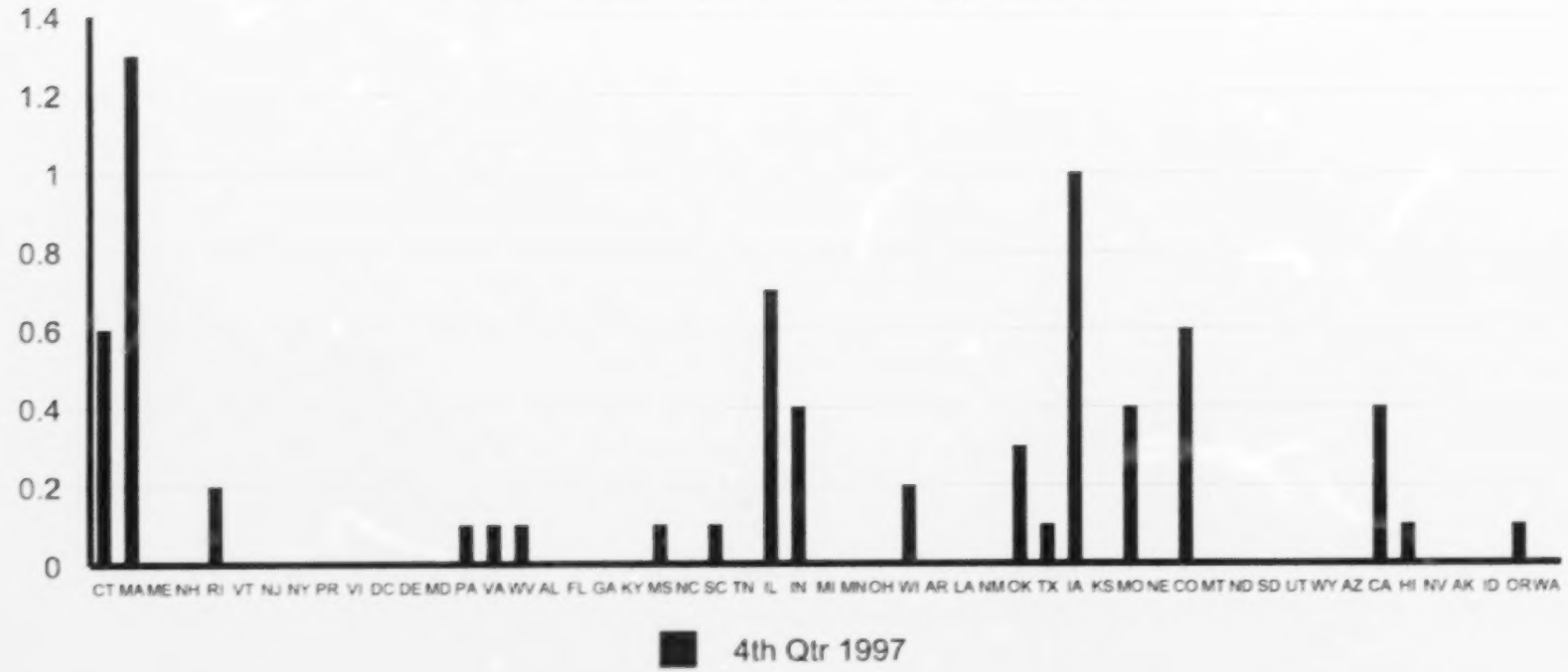


Source: Employment and Training Administration 9048 Report

Figure 18.

Percent of Referred Claimants who Appeal their Determinations

State by State Comparison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4th Qtr 1997

Source: Employment and Training Administration 9048 Report